

CHRISTIAN SOCIAL THOUGHT

Less Than Two Dollars a Day: A Christian View of World Poverty and the Free Market

Kent A. Van Til

Grand Rapids, Michigan: Eerdmans, 2007 (180 pages)

Economics in Christian Perspective: Theory, Policy, and Life Choices

Victor V. Claar and Robin J. Klay

Downers Grove, Illinois: Intervarsity Press, 2007 (255 pages)

God and Money: The Moral Challenge of Capitalism

Charles McDaniel

Lanham, Maryland: Rowman and Littlefield, 2006 (337 pages)

These three very different volumes approach the intersection of faith and economics from diverse perspectives and life situations. Van Til lived in Central America for much of the 1990s and was exposed to global poverty firsthand. Claar and Klay are economists attempting to integrate their faith with their discipline. McDaniel is a businessman-turned-academic in the second half of his life. Two of the works (Van Til and McDaniel) are adapted doctoral dissertations.

Van Til begins with the moving account of a single mom who cannot provide basic subsistence for her or her children. He argues that the free market is the most efficient means of distributing the world's goods and significantly better than any other system that

has been tried. However, he insists that the market alone cannot provide a just distribution because there is no room for the distributive criterion of need. That is, he argues, because the poor will not necessarily benefit from the global expansion of the free market. He rightly suggests that need is a critical biblical criterion for a just distribution and insists that as a result everyone has a right to basic sustenance (in addition to equal treatment and producers' being rewarded according to merit/deserts). He calls for a combination of distribution based on need and merit, with need weighted more heavily.

So far, there is not much that is very controversial. However, the heart of the debate is over the best means to accomplish goals on which most agree. What is the best means to ensure that the right to basic sustenance is realized: more participation in the market or increased redistribution of resources? At the end of the day, Van Til affirms the latter, arguing that we have enough to meet all the needs if only it were properly distributed. How does one ensure that this is the most pressing issue. If it were only a matter of redistribution, surely the amount of aid given to poverty-stricken areas of the world would have accomplished much. Yet, it is widely agreed that the emphasis on aid that has characterized the past thirty years has failed. I wish Van Til had discussed more extensively the means as opposed to the ends, the latter of which from a Christian worldview are not particularly debatable.

On the whole, there is not much to quibble with here, because Van Til sticks with general biblical and moral principles, but getting beyond the generalities of a just distribution is where the debate is.

McDaniel's work, by contrast, is a very careful treatment, full of rich detail and superbly documented. It has the thoroughness of a dissertation and is not for the reader who is without background in the field. It contains numerous insightful points of commentary and displays a depth of scholarship that I did not expect from someone of McDaniel's background.

His goal is quite specific—to examine the intersection of the Austrian school of economic theory and Christian conservative economists. His thesis is that “the harmonizing of Austrian liberalism and Christian virtue in the thought of economically conservative Christians is a marriage of convenience that ignores serious contradictions between the respective traditions” (12). That is, among Christian conservatives, the models of Ludwig von Mises and Friedrich Hayek have carried the day, and, as a result, there seems to be an uncritical acceptance or, at least, a failure to critically evaluate the broader political philosophy of the Austrian school. As McDaniel points out, this philosophy predicts the uncoupling of the market system from religious morality, with the former undermining the latter. As a result, according to McDaniel, the tripartite system of Michael Novak does not adequately address the evolutionary nature of morality explicitly taught by the Austrian school.

McDaniel suggests that a more critical reading of the Austrian school by Christian thinkers who ought to be troubled by “the moral evolution of capitalist culture” is long overdue (14). In the central chapter of the book, he calls into question the moral sustainability of the market system, given that in his view, the predictions of the Austrian school

have been accurate. Of course, Novak, Robert Sirico, and others may reply that they do not accept the broader worldview of Hayek and company, but I suspect that McDaniel would reply that such a separation is far easier proposed than done.

McDaniel argues for a more prophetic role for Christians at the juncture of faith and economics. He uses the historical models of Reinhold Neibuhr's economic realism, G. K. Chesterton's distributivism, and John Paul II's economic personalism as three examples of positive contributions to a Christian-grounded view of economic life. He acknowledges that each view has its shortcomings, but the relative merits of each view are not McDaniel's concern as much as is the general admonition to follow their example of standing above the economic system in a prophetic stance.

Claar and Klay are examples of the conservative economists at whom McDaniel aims much of his criticism. Though they do not mention Hayek at all, they hold that the market is a neutral arena of exchange that requires virtue on behalf of its participants. They explicitly endorse Novak's view that the economic system must be balanced by the proper working of both government and the moral-cultural system. The final chapter has some very specific recommendations for the moral-cultural system that will be helpful in checking the excesses of the market. They are both strong advocates of the market as the best solution for the poor and of a valid, but more limited, role for government.

The book is full of insightful analyses of contemporary problems, which makes it feel a bit like the popular book *Freakonomics*. For example, the authors argue that it is more important to define poverty correctly (the basket approach) and alleviate it rather than narrow any income gaps. They rightly point out that those are two very different measures of poverty and perhaps, government has focused on the wrong problem. They also discuss race and gender (giving rational reasons for pay gaps), how minimum-wage laws are counterproductive, and how globalization helps the poor. One can infer that they would suggest that Van Til's argument is based on simplistic assumptions, though they do acknowledge that the market's ability to create wealth and distribute wealth are separate questions and that both have moral components. Claar and Klay's epilogue is worth the price of the book: There they give very practical life lessons taught by economics that are matters of common sense, yet are commonly ignored.

Of the three volumes, Claar and Klay's is the most positive about the contributions of the market. McDaniel and Van Til are more critical of fundamental components of the economic system. The debate is over whether the negative aspects are intrinsic to the system or whether the market is essentially a neutral arena of exchange. Out of this central question comes the further debate over the moral sustainability of global capitalism. It is widely assumed today that globalization is here to stay. McDaniel and Van Til raise needed questions about the morality and sustainability of such a system.

—Scott B. Rae
*Talbot School of Theology,
Biola University, La Mirada, California*