

In particular, his argument that “a guaranteed minimum income may be achievable only where a functioning market economy has first created an appropriate level of material prosperity” and thus that “this wealth also enables to citizens of free market economies to be guaranteed a subsistence level income to ensure that no one need ever go without the basic essentials of life as a result of a loss of income due to some misfortune or foolishness” (85) is somehow out of tune with the rest of his book. Saying that a minimum income scheme is not “a redistributive measure but should constitute part of the basic institutional framework within which a market economy operates” (85) is clearly a bit too audacious, especially because by doing so we are de facto comparing a general allocation scheme with the basic tenets of the rule of law.

On this point, Meadowcroft seems to abandon his brave defense of the market economy in the search of some more intelligent way of structuring the welfare state we are all living in. This is far from being a meaningless quest and, though it does not really feel at home here, it does not diminish the book’s value for the reader.

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## Economy and Morality: The Philosophy of the Welfare State

**Yuichi Shionoya**

Cheltenham, United Kingdom: Edward Elgar, 2005 (355 pages)

In *Economy and Morality*, Yuichi Shionoya has attempted a philosophical defense of the welfare state—a state that combines capitalism, democracy, and social security (welfare). While agreeing that outright socialism is inefficient, Shionoya believes that the market economy has sacrificed justice and excellence in the search for efficiency. A moral third way between socialism and the laissez-faire economy is needed.

Although an attempt to resolve economic and moral issues is welcome, *Economy and Morality* has deep-rooted problems. The two major shortcomings are Shionoya’s dependence on assumptions of common values and his readiness to rely on state coercion as a correction for the inadequacies of the free market.

Shionoya’s book depends heavily on the assumption that all people will agree with his moral values. Religion is thus of little use to Shionoya because religions differ on moral values. To Shionoya, moral values must be universalizable. Shionoya relies on the assumption that man has a shared, logically deducible moral sense. The priors from which the deduction must begin appear to be a mandate to human survival and coexistence. According to Shionoya, “a moral value is universally acceptable to all persons in a society who have a common interest in social coexistence,” (28) and “a moral value is universally valid as the standard that enables the survival and coexistence of human beings, permitting the pursuit of their plural conceptions of the good” (30). Later, virtue is linked to “a wide range of socially established cooperative human activity” (108).

One must ask, is it mere survival and coexistence that serve as the foundation for morality? Or is there some higher purpose? While Shionoya maintains that neither religion nor the rest of culture is “susceptible to a single standard of evaluation” (133), he evidently evaluates social institutions according to whether or not they foster cooperation toward survival of the species. The ultimate value—the foundation of morality—has become evolutionary expediency. Is this more defensible than the other forms of morality that Shionoya rejects; for example, morality based on a divine law or morality based on self-ownership?

Shionoya expends much effort discussing the pursuit of excellence, but obviously there are many ideas of what is excellent. Shionoya, however, imports his own ideas of excellence without appeal to a standard of evaluation. “An excellent society,” he writes, “is a community in which decency is cherished and a diversity of cultural opportunities is conserved, while creative ability is developed and its intellectual frontier is constantly expanded so that unique contributions to science, arts, thought, culture, morality, and education are accumulated as the legacy of humankind” (323). This has a nice ring to it, but what exactly does Shionoya mean by *decency*? On page 324, he argues that excellence results from “the development of the properties central to human nature, including the realization ... of an honorable society.” What exactly is honorable? Professing adherence to pluralism while smuggling in one’s own standards with the words *decency* or *honor* is disingenuous. Would Shionoya wish to conserve the unique contributions from cultures that regard cannibalism, mutilation, or slavery as decent or honorable? Perhaps more to the point of the book, can it be universally regarded as decent or honorable for individuals to use the state to confiscate property from others so that the recipients may use the wealth to pursue their so-called enlightened ideas of excellence?

Shionoya places too much hope in the commonality of ethical sensibilities. He hopes that “shared principles of justice” (204) will promote a just society through public reason. Deliberative democracy, he says, will reject irrational argumentation—thus, this is the only “reasonable pluralism” allowed (210). However, he writes, deliberative democracy requires influential expert knowledge. This smacks of academic elitism, like that of the pre-Marxist French philosopher Saint-Simon, who wanted a parliament of experts to direct society.

Throughout *Economy and Morality*, Shionoya displays some training in economics as is clear from his treatment of topics relating to market failure, such as externality, information asymmetry, and public goods. However, given his facility with the vocabulary of economics, he is surprisingly susceptible to some of the least defensible anti-market arguments. Also puzzling is that even with his apparent knowledge of Austrian criticisms of socialist calculation, he does not seem to grasp the severity of the problems with government intervention.

Early in the book, Shionoya speaks of the “evils of unregulated capitalism” (16) and argues that industrialization has exacerbated “inequalities, poverty, unemployment, exploitation, alienation, and mammonism” (14). Yet, it is easily demonstrable that the

period of rapid industrialization, beginning around the middle of the 1700s, has brought a sharp reduction in poverty, the creation of a substantial middle class (filling the gap between the wealthy royalty and the impoverished peasant), and more varied employment opportunities for common people. This improvement largely preceded the Bismarckian or Beveridgean protowelfare states. The Marxish vocabulary of *exploitation* and *alienation* and the Christian socialist favorite *mammonism* are easy to employ, but it is difficult to see how the supposed exploitation of industrialization has made people worse off than they were in the squalor of preindustrial (preliberal) society. The last refuge of the determined socialist is to claim that these people who are freer politically and who are living longer with fewer of their children dying in infancy, with cleaner water, with more education, with larger dwellings, with less hunger and less sickness, and with more exposure to a wider variety of leisure opportunities *must be* less happy or living less-excellent lives. This is convenient for the socialist because happiness and excellence are immeasurable.

*Economy and Morality* contains several of these unsupported throwaway references to market shortcomings. For example, Shionoya writes, “Economists’ preoccupation with economic growth is likely to entail the destruction of the natural environment, the decay of social morality, and the deterioration of cultural activity” (268) and comments, “the consequences of markets have been a perennial threat to social stability and coordination for centuries” (284). There are also allusions to the “immoral pursuit of profit” (263) and “the great social evils of laissez-faire” (86).

While professing to reject socialism, Shionoya manages to import many of the ideas and basic policies of socialist states. Taxes for cultural activities (128), consumer protection regulation (222), state-mandated retirement saving (299), heavier inheritance taxes (305), and Keynesian income-equalization for a higher marginal propensity to consume (307) all find favor with Shionoya.

Philosopher John Rawls receives much attention in *Economy and Morality*, with Shionoya using Rawls to attack libertarianism and the idea of self-ownership. Shionoya prefers a kind of “social insurance” that would “adjust inequalities in natural talents” (74). He writes: “For an individual to live a worthy life in the face of life’s difficulties, natural and social contingencies unrelated to her will and efforts must be controlled socially by fair procedural rules” (162–63). Albeit, it is unclear why one’s endowment of natural talents (moral luck) should be commonly owned (90). Common ownership of one’s talents is but a euphemistic reference to state ownership of one’s income or wealth. Why is the default position *state* control, rather than *individual* control? Does not the history of state control sufficiently illustrate the dangers of granting coercive power to the state?

Shionoya also fails to explain how someone can be enlisted into a social insurance scheme without his consent. The target of his discussion on moral luck—the libertarian principle of self-ownership—is not without moral problems (see, for example, Timothy D. Terrell, “Property Rights and Externality: The Ethics of the Austrian School,” *Journal of Markets and Morality* 2 [Fall 1999]). However, Shionoya’s criticism not

only ignores divine-ownership arguments but also fails to address defenses of the self-ownership axiom other than Nozick's (e.g., Hans-Hermann Hoppe's *The Economics and Ethics of Private Property*).

The market is not a universal solution to human problems, and it is worthwhile to consider nonmarket institutions and values that might provide boundaries to social reliance on market coordination. However, there is little reason to default to state intervention. Shionoya acknowledges nonstate institutions such as the family (the church is practically ignored) and mentions the social risk insurance of the family but argues that the family delegates this function to the state (231). We might respond, however, that this delegation to the state has been disadvantageous to the family and that political agreement through a democratic process does not grant the state moral authority to take over family functions. Shionoya argues at the conclusion of his book that we should *not* return to the family as a source of social assistance. Rather, the "role of government must increase" (325). Unfortunately, through all of Shionoya's turgid philosophical prose, his third way amounts only to an expansion of the role of government.

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## The Redemption of Love: Rescuing Marriage and Sexuality from the Economics of a Fallen World

**Carrie A. Miles**

Grand Rapids, Michigan: Brazos Press, 2006 (240 pages)

Dr. Miles, an organizational psychologist, has written an interesting study of gender roles and marriage by looking at the economic background to the traditional division of labor and by offering a rereading of the biblical texts on marriage and the family, especially Genesis, the Song of Songs and Saint Paul's letters. She writes as a conservative evangelical; she treats Scripture as normative and uses the work of scholars such as S. Scott Bartchy, David DeSilva, Carolyn Osiek, and David L. Balch.

Miles accepts Phyllis Tribe's reading of Genesis that after the Fall and resulting from it, God cursed the serpent and the ground, not the people. She follows Gary Becker's analysis that in conditions of scarcity children were necessary for their labor. Consequently, women were assigned to work that enabled them to bear and rear as many children as possible. Thus, the traditional sex roles came about as a rational response to the conditions of life.

Patriarchy, she notes, is not the rule of men over women but the rule of a few men over everyone else, male and female. This is a refreshing change from the hermeneutic of suspicion that pervades much Christian feminist writing.

Sensitive as she is to economic realities and their effects on human behavior, she recasts our understanding of the breakdown of the family. After the industrial revolution, the compelling need to have many children for their labor disappeared. Cheap,