

schematic and Chicagoan description. The simplest way to rebut an intellectual opponent is to build a parody of his ideas, thereby showing that they are not useful to explain reality.

Médaille disregards the moral principles of a free economy, and, by consequence, he asserts that free trade is legitimate only if “there is full employment in both countries” (251). The only logical conclusion, then, is that international trade is always illegitimate. Following his skeptical attitude toward economic science and the metaphysical value of individual freedom, he rejects globalization and suggests a largely planned economy. For the sake of humankind, and particularly of the poorest parts of the world, I hope his call will not be heeded.

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## Entrepreneurship and Religion

**Leo-Paul Dana (Editor)**

Cheltenham, United Kingdom: Edward Elgar, 2010 (442 pages)

*Entrepreneurship and Religion* is a volume of articles edited by Leo-Paul Dana. He dominates the work; aside from the editing, he had a hand in writing nine of its twenty-two papers. (No other author appears more than once—except for two articles he co-authored with Teresa Dana.) Nine of the articles had already appeared in seven academic journals, signaling their quality, and thus this volume provides a single source for both the previously published pieces and related work.

Some of the articles are historical; others are contemporary. They have an international range, including research about minority peoples within a dominant society. Some of the work is empirical; most of it is descriptive. The result is a fascinating set of articles that, nonetheless, has limited impact as an academic approach. The projects are so context-specific that it is difficult to confidently extend their applicability.

Then again, that is the nature of this field. It reminds me of “industrial organization” in economics, where one studies various market structures such as competition and oligopoly. One of my friends in graduate school jokingly described the field as a “compendium of special cases.” Much of this work has the same features.

One deficiency in the editing is that many of the essays cover similar ground in their introductions, as they provide background literature and an overview of entrepreneurship. This is good if one reads the essays separately but creates much redundancy if one reads the book as a whole. (Along these lines, Dana’s introductory essay is most effective and allows one to skim the other chapters more quickly.)

One of the book’s strengths is in modeling and describing entrepreneurs as more than mere individuals who are to some extent constrained or encouraged by a legal framework. Entrepreneurial efforts are also a product of cultural, social, and religious contexts.

As Dana notes in his introduction, culture, religion, and society are intertwined with ethnicity. As it turns out, this hinders the goal of the volume. Often, inferences in the

essays about the impact of religion are spurious or stretched. Beyond that, some of the essays do not address religion at all. By the book's title, one would think it should have included a reference to ethnicity and culture. For example, in Anne White's study of Methodism (chapter 7), the reader is left wondering whether the entrepreneurs are driven by being Methodist, Christian, or Canadian. In Dimitri Tassiopoulos's study of Greeks (chapter 4), one cannot tell whether the relevant cause is Greek ethnicity or adherence to Greek Orthodox religion.

When such distinctions can be made, the authors effectively detail how religious beliefs and doctrine can be catalysts or deterrents for entrepreneurship; observe that religions are generally effective at promoting and propagating values; and note that religious communities often provide low-cost "networks" for labor, product, and information. Some religious contexts create religion-centered, demand-side opportunities. (See, for example, specially prepared foods for Jews and Muslims—and Welch's grape juice for Methodists.) Some religious entrepreneurship is indirect, as a supply-side response to religious and ethnic discrimination.

The volume features a number of strong essays on religion and entrepreneurship: the influence of the "Protestant work ethic" (Ivan Light in chapter 6), the impact of Islam in general (Wafica Ali Ghoul in chapter 12), categories of entrepreneurs within Islam (Nekka and Fayolle in chapter 14), Jewish middlemen in Alsace before World War II (Dana in chapter 17), Jewish entrepreneurs in Montreal (Morton Weinfeld in chapter 18), and a comparative analysis of the French and Dutch portions of the island of St. Martin (Baldacchino and Dana in chapter 20).

Three other essays are solid and warrant attention from those interested in the title of the book: Edwina Pio on Hinduism and caste (chapter 1), Dana on Jews in a variety of countries (chapter 3), and Heilbrunn and Asbeh on the Druze living in Israel (chapter 15).

I found three points especially interesting. First, Light notes that as markets become more competitive, discriminatory behavior becomes more costly. Beyond that, he focuses on the impact of Protestantism's "universalism" as opposed to the insularity of Catholic and Jewish communities. He argues that our contemporary distaste for discrimination and favoritism should be credited to Protestantism.

Second, how much discrimination and favoritism is "personal" (based on bias) as opposed to "statistical" (where discrimination in the face of highly imperfect information is the "best" decision)? For example, Light (177) notes that Puritans faced a dilemma in "doing business with dynamic but unknown Quakers, who might be dishonest, versus the security of doing business with mediocres of known probity."

Third, Dana notes that entrepreneurship is typically attached to risk, but in his study of Jewish middlemen in Alsace, they perceive it as less risky than other alternatives, given their familial and cultural experience with being entrepreneurial.

This last observation leads to one of two suggestions in closing. How should we define *entrepreneur*? The literature seems to conflate under *entrepreneurship* the two distinct traits of a penchant for innovation and a willingness to work hard. At one extreme, entrepreneurship simply becomes a synonym for any business venture, particularly if

one is self-employed. To weigh one implication: The Amish avoid technology and thus, to be successful, must work harder. Does this make them more or less entrepreneurial?

Finally, returning to the title of the book, more work should be done to distinguish religion as religious belief, rather than merely a blanket reference to a culture influenced indeterminately by religion. Maybe this point is difficult for researchers to recognize and embrace because people routinely conflate these categories in everyday life. In fact, they are quite different. As such, developing measures of religiosity would be a step forward in analyzing the impact of religion on behavior in general and entrepreneurship in particular.

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## Adam Smith and the Economy of the Passions

**Jan Horst Keppler**

London and New York: Routledge, 2010 (163 pages)

This short, pithy book purports to offer us the definitive interpretation of the Adam Smith problem and to have solved finally the mystery of the invisible hand. While I found interesting new perspectives in the way the author maps Smith's thought from *The Theory of Moral Sentiments* (TMS) to *The Wealth of Nations* (WN), there are significant aspects of the argument I found unconvincing.

The central idea that informs the book is that TMS presents two contradictory processes for generating the rules of morality, a sympathy mechanism operating in the daily interactions of people in society and the impartial spectator representing an ideal standard imposed from above. Because they are ultimately incompatible, and because Smith is viewed as being aware of this, he ejects the impartial spectator at the end of TMS, and the sympathy mechanism then operates at the level of the market as it shapes preferences and constrains self-love to socially acceptable expressions. The invisible hand brings about the synthesis of the horizontal with the vertical in the unintended achievement of the ideal in the daily interaction of individuals whose self-interest is socially and legally constrained.

The book consists of five chapters. The first is an introduction, which gives the reader an overview of the argument and how it will be developed. The second and third chapters constitute the main substance of the book. The second chapter explains the operation of what Keppler calls the "sympathy mechanism" or the "horizontal dimension," the process by which individuals seeking approval learn to subdue the strength of their passions and allow the sentiments to guide them into forming agreed rules of social interaction—the socially approved rules of morality. This taken alone yields a set of socially specific moral rules and values. A unique feature of Keppler's approach here is to recast Smith's social theory into the categories of some contemporary literature in semiotics.

This horizontal approach to morality is inherently relativistic. Values are historically and socially specific to a particular context. This brings us to the third chapter, which deals with the "vertical dimension" of the impartial spectator, the individual's conscience.