Radical Orthodox Economics

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May 2013

Pre-Publication Draft – A final version of this article is forthcoming in Christian Scholar’s Review.

Abstract:

In recent years, a number of theologians and philosophers, following John Milbank, have drawn on continental post-modern philosophy to form a critique of capitalism and modern economics. Often called the “Radical Orthodoxy” movement, these scholars argue that the problems with capitalism lie not with its results, but its’ underlying metaphysics and ecclesiology. This essay summarizes these arguments, and draws on the work of Christian economists to argue that many of the concerns of the movement are shared by scholars in the economics profession. Finally, I propose four fruitful avenues of inquiry that could advance a “Radical Orthodox Economics.”

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I am indebted to Becky Haney, Kurt Schaefer, John Tiemstra, Neil Carlson, and Brian Madison for helpful comments, as well as Calvin College for supporting this research.
Starting with the publication of *Theology and Social Theory* by John Milbank in 1990, the “Radical Orthodoxy” (R.O.) movement in theology has sought to bring the insights of continental post-modern philosophy to bear on theology, politics, economics, and culture. One element of this theology is a distinctive Christian critique of economics as an academic discipline, as well as a critique of capitalism as an economic system. While these authors that work in this theological movement are not in perfect agreement regarding economic issues, their thinking is similar enough that it is possible to think about the “Radical Orthodoxy” critique – or what James K.A. Smith called the “ecclesial critique” – of economics.\(^2\) In this essay I will summarize and engage the main points of this critique, placing them in the context of the work of various economists, and then explore what the discipline of economics might look like if this particular theology were embraced.

The approach that these theologians take is unique. Unlike other many other schools of Christian social thought, they argue that if a set of theologically-based economic practices do not work, that failure is an indictment of the system in which they fail, not of the practices themselves. That is, in a manner more radical than most, they propose that our economic thought and practices should be consistent with a particular theological paradigm. This placement of theology in a privileged position over and against the social sciences is evident across their writing, and it puts them at odds with much post-enlightenment thinking about the social world. They argue that economic thought, as well as the institutions and cultural practices that make up capitalism, are part of a particular tradition that is neither natural nor necessary, but instead the result of problematic theological assumptions originating in the late middle ages. Their solution,

then, is to go back to the theological and economic thought from before these key mistakes were made, and from that starting point, re-envision the social world.

Their historical approach and their appropriation of continental philosophy make dialogue between these theologians and economists especially difficult. Economists are used to considering marginal changes to the status quo; the R.O. theologians prefer to critique the theological presuppositions behind the economic system. Economists prefer to compare measurable material outcomes; these theologians prefer to ask whether practices are consistent with a broader Christian narrative. I will argue, however, that the work of Christian economists over the last 50 years has often been motivated by concerns similar to those these theologians raise, and that both groups could benefit from a sustained dialogue.

While the “Radial Orthodoxy” program is expansive, the economic critique is narrow enough to consider as a whole. The elements of this project that I want to engage can be summarized in four points, which I will consider in turn.

1. The discipline of economics, and the logic of capitalism, rest on a set of philosophical and theological assumptions that are ultimately violent and nihilistic.

2. The work of theology must come prior to that of economics, since a theology that accepts the conclusions and data produced by an autonomous social science will inadvertently end up accepting the problematic underlying assumptions.

3. The logic of capitalism is not simply incorrect; it is also a “technology of desire” that trains people to desire, act, and shape institutions in ways that are consistent with the problematic underlying anthropology and ontology.
4. The practices and organization of the church rest on a different set of assumptions, offer a different account of the social world, and form people in ways that are consistent with a true anthropology that is dependent on God.

First argument: capitalism rooted in violence and nihilism.

The first element of Radical Orthodoxy’s critique is foundational to understanding the rest of their argument. The root of the argument is the claim that that modern social thought is based on a “univocal ontology,” in which the existence of God (the transcendent) and the created world (the immanent) is of the same type. The R.O. authors argue that this ontology creates space for “secular” reason and logic: for if the existence of the creatures in the social world is of the same type as the existence of God, then creatures can exist and act independent of God. Moreover, our existence is then fully comprehensible to us without reference or analogy to God, since creation can be understood on its own terms. R.O. scholars critique this ontology not only because they claim it reduces God’s existence, but also because it grants an inappropriate autonomy to individual creatures. It is uncontroversial to observe that individual autonomy is an important ingredient in modern social scientific thinking. Moreover, while it may not beologically necessary to base this autonomy on the univocal ontology of Scotus, Milbank and Smith make a clear case that this change in worldview allowed for consideration of individuals as independent social units, and contributed to the atomism of modern social thought.

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These theologians argue further that this creaturely autonomy was not present in the “participatory” ontology of Augustine and Aquinas, who conceived of all creaturely existence as being dependent on, and reasonable only in light of, God.⁴ This participatory ontology posits that all things exist in radical dependence on God, and requires that creatures, when their existence is properly directed toward their creator, are not in conflict with each other. Furthermore, they argue that this problematic autonomy undergirds much of modern social thought, including economics. Smith summarizes the argument as follows “Behind the politics of modernity (liberal, secular) is an epistemology (autonomous reason), which is in turn undergirded by an ontology (univocity and the denial of participation).”⁵

The theologians making this critique will argue that liberalism, capitalism, and most modern social science, rests on the idea of autonomous creatures, that is, creatures who can be understood absent their relation to God. The R.O. authors argue further that this understanding of the social world is ultimately nihilistic, and dependent on violence. Their argument is not that social science exhibits an amoral nihilism but that an autonomous creation, separated from a participation in God’s existence, is ultimately without a foundation.⁶ Social life is based on nothing if humanity is severed from its telos.⁷

⁴John Milbank and Catherine Pickstock, Truth in Aquinas, 1st ed. (Routledge, 2000), 33–34; Smith, Introducing Radical Orthodoxy, 98.
⁵Smith, Introducing Radical Orthodoxy, 99–100.
⁶Ibid., 101.
Moreover, the claim that modern social thought is predicated on violence is not an assertion that capitalism requires physical bloodshed. Instead, they argue that a social world of autonomous creatures with their own preferences is, at its core, agonistic, or competitive. The project of secular politics and economics is to shape human relations in such a way as to adjudicate between the competing interests or preferences of autonomous individuals.\(^8\)

Two examples will illustrate the distinction the R.O. movement makes between a social world based on a participatory ontology and one based on human autonomy. In both cases, the authors argue that a participatory ontology allows us to see a world that is ultimately based on peaceful relations, whereas a univocal ontology requires conflict. The first of these is the translation of “covenantal relationships into contractual ones.”\(^9\) While both relationships constrain two parties’ behavior, a covenantal relationship is intelligible only in reference to God, and requires that parties share a common ultimate end. A contractual agreement, in contrast, is a “parody” of the covenant, in which each party has disparate, often conflicting ends, but the contract allows them to cooperate to mutual advantage. The covenant is predicated on trust and relationship, the contract is predicated on a lack of trust and is enforced by mutually agreed punishments.

The second example is Long and Milbank’s focus on the concept of scarcity in economic thought and the logic of market exchange. Both writers want to reject any social order that is


\(^9\)Milbank, Theology and Social Theory, 15; Smith, Introducing Radical Orthodoxy, 130.
predicated on an original violence or underlying conflict. As a replacement they offer a gift-
economy predicated on God’s gracious acts of gift which undergird a theology of creation, grace,
and incarnation. Their vision of a social order based on plentitude and gift, however, runs
contrary to the concept of scarcity which economists use as their most basic description of the
world.

One such argument is that a social science or economic system that uses scarcity as a
foundational principle will encourage an attitude toward property that is self-oriented and
competitive. If all goods are scarce, then, they argue, life will consist of a struggle to get some
disproportionate share for one’s self. This argument is evident Cavanaugh’s writing, as well as
Long and York’s description of consumption in an alternative economy based on gift.\(^{10}\)

Precisely because Christ is inexhaustible, language such as consumption assumes a
different meaning. To consume a commodity is to be oriented toward a desire that is not
finally satisfying. To have one’s life defined by this kind of consumption so to be bound
by what Tolstoy termed, “the gnawing agony of desire.” It is to be bound by the fear that
there may not be enough for all – so I must consume before it disappears. However, to
consume Christ is to know a different kind of desire – a non-competitive desire where I
can consume without fear that my eating causes your hunger (Pickstock, 1998, 121-66).
This is not to overlook the limits of competitive goods; it is to reorient them.\(^{11}\)

A second version of the argument critiquing scarcity rejects not just desires that are
oriented by scarcity, but also the set of practices built out of the assumption of scarcity. This
version of the argument is evident in Milbank’s work where he argues that, “Despite scarcity,

\(^{10}\)Cavanaugh, Being Consumed, chap. 4.

\(^{11}\)Long, Fox, and York, Calculated Futures, 204.
despite our submission to the law which it imposes, we must act as if there were plentitude, and no death, since to believe is to believe that this is what really pertains, despite the fall."\(^{12}\)

Passages such as these will confuse economists because these authors are using terms differently than economists do. Fortunately, Albino Barrera has since helpfully clarified some of the linguistic differences.\(^{13}\) Economists use the term scarcity to refer to the confluence of unlimited uses and limited supply of a good or resource. In this, most economists refer to what Barrera calls “formal” scarcity: the scarcity that creates the need to allocate and recognize trade-offs.\(^{14}\) Formal scarcity is an inescapable element of existing in a particular time and place with our finite resources, comprehension, and abilities.

Economists are mistaken if they read the arguments of these theologians as a rejection of formal scarcity, though Milbank’s quote seems to move in this direction. These theologians criticize the economics discipline and our economic system for taking the contingent empirical fact of material deprivation - what Barrera refers to as “consequent” scarcity – and assuming it is a necessary fact.\(^{15}\) Consequent scarcity can refer to either the fact of poverty, or “frictional” scarcity that consists of “non-life-threatening unfulfilled demand.”\(^{16}\) According to these theologians, this consequent scarcity is not necessary. If the economics discipline assumes


\(^{14}\)Ibid., 205–206.

\(^{15}\)Ibid., 208.

\(^{16}\)Ibid., 207–208.
poverty and deprivation are necessary, it rejects God’s abundant provision. When the discipline collapses formal and frictional scarcity, it is failing to differentiate between needs and wants, and falsely assuming that economic desires are not subject to satiation.\textsuperscript{17} The “fact” of consequent scarcity, in this view, is a statement of human sinfulness that should not be considered “natural” or necessary, but instead is a contingent reality that the Church must resist.\textsuperscript{18}

While it is the case that early economists, Malthus in particular, believed that absolute poverty was a natural and necessary part of the created order, this is not a central part of modern economic thought. Most economists would now argue that some degree of relative poverty may be unavoidable, but that absolute poverty is a fixable problem which commands much of the discipline’s attention. In this, as in some other cases, the R.O. authors may not fully understand which elements of early economic thought have been discarded by later scholars.

The heart of this argument remains, however, that capitalism only makes sense if the underlying world is ultimately agonistic. These theologians argue that the economics discipline and the practice of capitalism reduce human will to a set of “preferences” and morality to “values.” Without a theological anthropology, this view of the social world is ultimately nihilistic; social activity is divorced from its true end.\textsuperscript{19} Such a system will, at best, result in a


\textsuperscript{18}c.f. Smith, “The ‘Ecclesial’ Critique of Globalization: Rethinking the Questions.”

\textsuperscript{19}Readers will note that this critique applies not just to economics and capitalism, but also to political science and liberal democracy. For a summary and response to their critique of liberal-
“peace” that consists of a system of mutually agreed upon compromises. These authors trace this economic worldview back to a modern metaphysics that assumes that individuals and social institutions are understandable separate from a theological narrative – understandable separate from their relationship to God. Furthermore, they argue that this approach to social science is not necessary; the economic system we participate in is not “natural.”20 Instead these authors want to insist that, contrary to the ontological violence described above, “a specifically Christian ontologic affirms both a peaceful origin and a peaceful eschaton.”21

**Second argument: the primacy of theology.**

The second element of Radical Orthodoxy’s critique builds directly on the first. Because he believes that economics is based on these problematic theological foundations, Long argues that economics must be subordinate to theology, or that a Christian economics must start with better theological presuppositions.22 This argument was first made by Milbank, who argued that political economy is a Christian heresy, based on his reading of Adam Smith and Thomas

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21 Smith, *Introducing Radical Orthodoxy*, 197.

Malthus. Smith and Malthus, he argued, set economics on the wrong path by explaining the social order as a “natural” phenomenon to be explained as one would the physical world. The result was, perhaps unintentionally, an apology for a particular social order that undercut our ability to speak about some social phenomenon – like widespread poverty – using the vocabulary of sinfulness, even if other individual economic behaviors were subject to critique. Instead, many instances of social injustice were the result of “natural” evil, in the same category as a natural disaster, resulting from the laws of population and objective material circumstances. From this starting point, economists, and many theologians who address economic matters, have consistently adopted a Weberian strategy of separating the “facts” of economics from the “values” of any particular theological account, and privileging the former.

While Long and Milbank do not seem excited about dictating a new economics to social scientists, they are intent on calling out the theologians who uncritically base their theology on “facts” that come from the practice of mainstream economics. To their credit Milbank, Long, and Bell, are equal-opportunity critics: they also fault liberation theologians for improperly appropriating Marxist social science which, in their view, is subject to many of the same critiques as is neo-classical economics. Their expulsion of modern economic thought from theology is necessary because their goal is ultimately to frame a theology of the social world that

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is not based on the agonistic materialistic framework that they believe dominates economic and political thinking across the ideological spectrum. Long writes that:

Theology must refuse to concede any intellectual space free from its own intrinsic logic. This is a necessary feature of Christian theology because it is a *metadiscourse* that positions all other discourses within its own narrative order of creation and redemption. Any Christian theology that refuses to do this will cease to express adequately its own internal logic and become dependent upon other discourses for its intelligibility. Theologians on the political left and right have denied this claim by making space for economics or social analysis as an autonomous sphere. But such concessions inevitably reduce theology to the status of the irrational, cultural, or valuational over against the factual.\(^{27}\)

Long is not the first to take issue with the Weberian fact-value distinction. Many economists, especially Christian economists, have issued similar critiques.\(^{28}\) That said, social scientists might reject a hierarchy of disciplines that places theology at the top. For example, Long’s own co-author, Nancy Ruth Fox, is willing only to concede that both economics and theology have distinct and limited purposes.\(^{29}\) Despite this, there is a profound similarity between the R.O. project and that of many Christian economists, though there are wide linguistic differences between them. Long acknowledges the contribution of economists working in the


\(^{29}\)Long, Fox, and York, *Calculated Futures*, 42.
tradition of Catholic Social Thought, but there are also a number of economists broadly within the Kuyperian Reformed tradition that could find much to appreciate in Radical Orthodoxy’s critique.³⁰ Each of these schools of thought starts their economic analysis with a grounding in a theological anthropology, and each takes issue with the purportedly “value neutral” approach of the broader discipline. It is important to note though, that even those who are generally sympathetic to the idea of developing economics on a distinctively Christian foundation will allow that non-theological economics has real insights to offer.³¹

**Third argument: the capitalist deformation of desire.**

The R.O. authors are not only concerned with the purity of social theories and theology; their critique of capitalism is also largely based on the belief that our economic system shapes people in ways that are spiritually problematic. Daniel Bell Jr. argues that “The first question put to any economic order should not be ‘Does it Work?’ or ‘What is in it for us?’ but rather ‘Does it


enable and enhance humanity’s chief end of glorifying and enjoying God forever?” or alternatively, “With our economic lives ordered by capitalism, are we able to worship God truly?” To these questions, Bell, Long and James K. A. Smith all answer with a firm “No.”

Their critique is not entirely unique. Similar sociological arguments have been made and disputed many times, and still get significant attention in the literature, both in the argument’s secular form, and the Christian version. Unfortunately, Bell, Long, and Smith do little to


engage this literature. Nevertheless, their particular theology yields a potent version of this moral critique of capitalism. They argue that the problem with capitalism in terms of moral formation rests in its underlying nihilism and violence.

Bell’s version of this critique is based on the premise that capitalism constitutes a “technology of desire” that misforms people’s preferences to reflect the assumptions and values of the marketplace.\(^{35}\) The desire that is ideally directed toward one’s true end – worshiping and serving God – is instead re-directed toward the service of self in a competitive context.\(^{36}\) Even the language of human rights, in Bell’s argument, “is but one component in the capitalist deformation of desire,” since rights are used to establish the individual’s ability to participate primarily in trade and commerce.\(^{37}\) Long concurs, arguing that capitalism can only point and direct people toward a material end – the accumulation of wealth.\(^{38}\) Thus, as the market expands (globalization) and the logic of the market pervades previously non-market institutions (family, Chicago Press, 2007); Templeton Foundation, Does the Free Market Corrode Moral Character? (John Templeton Foundation, 2008), http://www.templeton.org/market/; Christians have also engaged in a similar conversation. See Scott Rae and Austin Hill, The Virtues of Capitalism: A Moral Case for Free Markets (Northfield Publishing, 2010); Jay W. Richards, Money, Greed, and God: Why Capitalism Is the Solution and Not the Problem, 1st ed. (HarperOne, 2010); Rachel Kotkin, Joshua Hall, and Scott Beaulier, “The Virtue of Business: How Markets Encourage Moral Behavior,” Journal of Markets & Morality 13, no. 1 (2010): 45–58.

\(^{35}\) Bell, Liberation Theology After the End of History.

\(^{36}\) Ibid., 35.

\(^{37}\) Ibid., 126.

\(^{38}\) Long, The Goodness of God, 188–256.
church) the only result can be that these market values replace richer notions of the Good with more trivial ends.

James K. A. Smith adds to the argument by detailing an anthropology rooted in the Augustinian notion that peoples’ loves are more fundamental than their thoughts.\textsuperscript{39} He then draws on Charles Taylor’s concept of a “social imaginary,” the pre-cognitive elements that shape the way people think about the social world. Importantly, this social imaginary is shaped by a tradition (stories, myths, narratives), and constitutes a vision of what social life is, and what it is for.\textsuperscript{40} Smith then argues that the practices and institutions that people participate in shape their social imaginary more directly than their ideas.\textsuperscript{41} Their social imaginary, in turn, defines a person’s ultimate loves, and thus their identity. Once this framework is established, the critique of capitalism almost writes itself, though Smith’s prose is not to be missed. Because the logic of capitalism is the context behind most people’s primary methods of living in the world (work, consumption, leisure), the market acts as a “secular liturgy” or a “thick” practice that is habit and identity-forming.\textsuperscript{42} A whole theology of brokenness, sociality, redemption, and flourishing is present in the marketing and orientation of consumer culture, each offering a parody of the true Christian narrative.\textsuperscript{43}

Both Bell and Smith conclude that the social world shaped by capitalism is thus not conducive to Christian worship and discipleship. It is important to note that this critique has

\textsuperscript{39}Smith, \textit{Desiring the Kingdom}, 39–62.

\textsuperscript{40}Ibid., 65–66.

\textsuperscript{41}Ibid., 67–73.

\textsuperscript{42}Ibid., 82, 87, 93–103.

\textsuperscript{43}Ibid., 95–103.
multiple targets. At times the authors are critiquing the theory of capitalism: neo-classical economics. At other times they level their critique against market institutions and policies. Often, however they are critiquing what might be called capitalist culture. What is called capitalism in this literature, then, is usually some combination of these three elements. Economists, for their part, are used to thinking about the first of these three - economic theory, and often study the second of these - economic institutions, but less attention is given to economic culture. Indeed many economists may consider it outside of our purview. That said, the act of theorizing itself may have moral implications, and impact culture. Hoksbergen and Taylor argue that theories change the way people view themselves, and help define what is considered “normal.” In this sense, as the R.O. authors have argued, there is no neutral theorizing. All theories have implications for how people imagine, and thus act in, the social world.

Accepting the non-neutrality of theory and the importance of economic culture does not, in itself, justify this particular moral critique of capitalism. There is still the question about whether the theories, institutions, and culture of capitalism form people for the better or worse. While the R.O. authors argue for the latter, some have argued eloquently for the former. As

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45 Bell, Liberation Theology After the End of History, chap. 1; Graham Ward, Politics of Discipleship, The: Becoming Postmaterial Citizens (Baker Academic, 2009), chap. 2.

46 Cavanaugh, Being Consumed; Smith, Desiring the Kingdom.

McCloskey insists, at least some part of this argument is an empirical one, and the empirical evidence is mixed at best. Bell, Long, and Smith would likely disagree with McCloskey’s more optimistic assessment of capitalism in part because they consider a culture formed by commercial practices and material incentives to be, perhaps necessarily, one which encourages vice and idolatry.

**Fourth argument: the Church as an economic alternative.**

The final argument is the real heart of the R.O. program. While these authors are concerned about the direction of modernity and the way we envision social life, their primary concern is to re-establish the Church and the Christian tradition as the animating center of the social world. Their claim is a simple one: living in the social world that is defined by the practices of the Church is fundamentally different, and truer to our telos, than social life defined by the practices of the market. James K. A. Smith summarizes this argument by saying that the Church offers a “rival catholicity, a rival way of life.” It is important, for this argument, to understand how these authors think about the Church. They are not talking about specific congregations or denominations, nor of the Roman Catholic Church. Nor are they talking about individual Christians from various churches around the world. Instead they speak of the Church as an ideal community that embodies a tradition. Thus “the Church” here includes the practices, liturgies, and sacraments, as well as the people and relationships that are formed by them.

The R.O. theologians hold up the Church as an alternative to the market because it is not subject to the critiques leveled against capitalism: it is not predicated on nihilism or violence, and

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it correctly forms peoples’ desire.\textsuperscript{50} The Church is the way in which people can participate in the body of Christ, which directs desires toward their created purpose – the worship and glorification of God. Thus while human action in the marketplace is without a unified purpose beyond the satisfaction of individuals’ desires, action within the Church has a well-defined end that properly directs individuals desires.\textsuperscript{51}

Similarly, they argue that, as a result of the shared purpose of human action in the Church, there is not an unresolvable underlying conflict between incommensurable human preferences. People can and do disagree within the Church, but these disagreements are always subject to evaluation according to a revealed vision of the true, the good, and the beautiful. Moreover, the practices of the church are rooted in an eschatology that is free from consequent scarcity. The celebration of the Eucharist is a testament to this vision of plentitude – all who come to the table will be fed.\textsuperscript{52} The Eucharist also unites Christians across time and across geographic boundaries, challenging the divisions created by citizenship and state.\textsuperscript{53} As such, the underlying conflict, or violence, that the R.O. authors see in the logic of economics and capitalism is overturned, or resisted, in the practices of the church community.

Most significantly, perhaps, the practices of worship and Christian community constitute a source of counter-formation that can redirect our desires toward our true end. Smith gives this argument the most treatment, explaining how the common practices of Christian worship shape

\textsuperscript{50}Long, \textit{The Goodness of God}, chap. 5.

\textsuperscript{51}Cavanaugh, \textit{Being Consumed}, chap. 1.

\textsuperscript{52}Long, \textit{The Goodness of God}, chap. 7.

our social imaginaries, or redirect our ultimate loves. If the practices of the market are detrimental because they are predicated on a modern, materialist vision of what it means to be human, then the practices of the church are beneficial precisely because they are based on a better anthropology. Sin, confession, pardon, hospitality, and community are all reenacted every week as Christians worship. This re-enactment narrates a social world in which these concepts are integral to our lives, not exceptions to the rule of the market.

Bell’s argument is similar, though his view of capitalism gives more attention to oppression and the suffering of the poor. The proper response to exploitation, according to Bell, is not to use the power of the state to resist the forces of capitalism, since the state is already, and necessarily, part of the capitalist system causing the oppression. Instead, the Church gives Christians the resources to resist exploitation by forgiving their oppressors, an act that heals the damage caused by capitalism and distances the Church from participation in the destructive practices of the system.

Socialism in Radical Orthodoxy

While these scholars have not devoted much attention to the specifics of economic policy, many do affirm some type of socialism as the preferred alternative to capitalist organization. It is important to note, however, that this is not the socialism of Karl Marx, liberation theologians, or even that of modern social-democratic movements. These authors are

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54 Smith, Desiring the Kingdom, chap. 4–5.

55 Bell, Liberation Theology After the End of History, chap. 2.

56 Ibid., 15–19.

57 Ibid., chap. 4.
almost as critical of the modern state as they are of capitalism.\textsuperscript{58} Indeed, they go to great lengths to point out the ways in which liberation theologians have yielded too much autonomy to a secular materialist social science.\textsuperscript{59} Nevertheless Graham Ward states that: “In the collapse of socialism as a secular political force I see Radical Orthodoxy as offering one means whereby socialism can be returned to its Christian roots.”\textsuperscript{60} It is not clear that even this is a call for state ownership or redistribution, however. The vision of “socialism” given by these authors is decidedly small in scale and Christian in orientation.

Central to the R.O. version of socialism is John Milbank’s theology of gift, which encompasses God’s relation to creation, as well as, by analogy, correctly ordered social relations.\textsuperscript{61} Milbank envisions communities as free associations of people who are nevertheless bound to each other by gift exchange and social harmony.\textsuperscript{62} This is a socialism that supports worker cooperatives and socially responsible firms rather than a socialism that grants the state control over the “commanding heights” of the economy.\textsuperscript{63} Similarly, Long and York offer a

\begin{itemize}
\item \textsuperscript{58}Ibid., 15–19; Cavanaugh, \textit{Theopolitical Imagination}, chap. 1; Smith, \textit{Desiring the Kingdom}, 103–112.
\item \textsuperscript{59}Bell, \textit{Liberation Theology After the End of History}, chap. 2; Long, \textit{Divine Economy}, pt. 2; Milbank, \textit{Theology and Social Theory}.
\item \textsuperscript{61}John Milbank, \textit{Being Reconciled: Ontology and Pardon} (Routledge, 2003), chap. 9.
\item \textsuperscript{62}Chaplin, “Suspended Communities or Covenanted Communities? Reformed Reflections on the Social Thought of Radical Orthodoxy,” 157–159.
\item \textsuperscript{63}Long, \textit{Divine Economy}, 260.
\end{itemize}
vision of a gift exchange economy that they readily admit “does not tell us which global economic system the church must support” though it does “show how Christian persons might begin to think of their lives as oriented by Christ’s offering for us rather than by the consumerist culture which receives its orientation from other concrete, everyday practices such as superhighways, malls, and food courts.”64

What is it about small scale socialism then, that attracts these theologians? A for-profit cooperative commercial enterprise is still subject to most of the critiques offered by these theologians. The organization and relationships between actors will likely still be dictated by legal contract, their goods will be sold in a competitive market to consumers who are usually not in relationship with the producers. Success still requires cost-cutting efficiency, marketing, prudent investment, and many other elements of modern business practice. This is just to say that small-scale socialism might still have to operate in a capitalist world.

In this context, a Radical Orthodox set of institutions could take on two main forms. The first form would be any arrangement that challenges the necessity of conflict between economic actors, whether that takes the form of risk-sharing arrangements or cooperative ownership of enterprises. Such arrangements will point in the direction of an eschatologically-informed social arrangement, even if they do so imperfectly. The other form R.O. economic institutions might take is to re-establish peaceful relationship as the context of economic exchange, instead of the impersonal exchange that often results from large-scale production and distribution of goods.65

Moves in these directions, whether they take the form of “buy local” movements or small-scale cooperatives, will come at a cost. Economists will be quick to point out that we

64Long, Fox, and York, *Calculated Futures*, chap. 8.

might unknowingly sacrifice the gains from scale and specialization, and be materially poorer as a result. These costs are unlikely to phase a group of theologians that readily recognizes that their prescriptions might not lead to economic “success” using the normal criteria.  

### A viable alternative?

Even if these theologians are not the large-scale state socialists that economists are used to engaging, their argument does share many similarities to the sociological position Berger, Berger, and Kellner describe as “the protest against individualism” characteristic of the “left mood”:

Capitalism is perceived as a major fragmenting, “alienating” and ultimately dehumanizing force which pits individuals against each other in a merciless competitive conflict. Bourgeois democracy is understood as…the “super structure” of the capitalist system.  

The R.O. authors, however, are more consistent critics of modernism, in that they do not then advocate a “rational manipulation and redirection of the social order” in the direction of some pre-modern institutions. Indeed, to advocate a set of “Radical Orthodoxy” policy prescriptions for various levels of government would be to fall prey to their own critique – it would fall into the trap of viewing the state as the most important agent for shaping culture. If we accept

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66 Bell, “What Is Wrong with Capitalism? The Problem with the Problem with Capitalism”; Smith, *Desiring the Kingdom*, chap. 6.


Cavanaugh’s critique of the modern reliance on the nation-state to “redeem” society, the avenue of political reform of economic structures is not a promising one.\(^{69}\)

Thus, in one sense, the R.O. vision of the social world as defined by the Church is an alternative to capitalism, and in another important sense it is not. If we are primarily concerned with the culture of capitalism, which is defined by the culture and aims of corporate America in the workplace and an emphasis on consumption in households, then this theological engagement seems justified in looking to the Church as the only appropriate alternative. Their prescriptions, and elements of their critique, end up looking remarkably similar to the Anabaptist approach proposed by James Halteman, emphasizing the church as a community that operates on the basis of a distinctive communal logic.\(^{70}\) While Halteman argues that Christians should advocate for state intervention in the economy, the real resistance to the dangers of capitalism comes from the Church modeling an alternative social arrangement.\(^{71}\)

Arguments of this type have been made by a number of the authors examined here, but the theology underlying Halteman’s proposal is fundamentally different from that proposed by these authors.\(^{72}\) Halteman draws upon a “two-kings” theology based on the premise that the

\(^{69}\)Cavanaugh, \textit{Theopolitical Imagination}, chap. 1.


\(^{71}\)Gay, \textit{With Liberty and Justice for Whom?}, 129–130.


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communal logic of the Church is not applicable to a fallen world, and thus the church should “model” an alternative community, but not be directly involved, as the church, in reforming secular institutions. He argues that “Christian values may often not work in the alien environment of secularism. Therefore, to reform the secular world toward Christian practice while people remain in their sinful state is futile as an overall strategy.”

Halteman thus puts stronger limits on the applicability of Christian tradition to the formation of secular institutions than many of the R.O. authors. Milbank agrees with Halteman that a Christian organization of society can be found in Christian tradition, based on the practices of the Church. In a subtle shift from Halteman’s position, though, he argues that this social space defined and centered around the Church, is preferable to our secular institutions and culture even for those who are not Christians. The problem, in Milbank’s view, is not that the Church model is inapplicable because the world is hopelessly secular, but instead that that secularism is a problem to be remedied, because it denies the true place of the Church.

If our concern is not the culture of capitalism but, instead, capitalist institutions, these authors give justification for change, but only the smallest suggestion of what that change would look like. Similarly, there is some material to interest Christian economic theorists in this literature, but the authors, with the exception perhaps of D. Stephen Long, are not enamored

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enough with our discipline to attempt significant revisions. Thus there is not much advice for economists looking for ways to do their jobs differently. As indicated before, this is partially the result of their particular theology. The policy-making project that economists are committed to might, in the end, not be consistent with the theological vision of these authors. As such they spend a significant amount of time explaining how the structures, logic, and culture of capitalism are based on a problematic ontology and anthropology, but they do not give any concrete advice to those who are on the ground making policy decisions that will lead cultures and states in a direction that is either more or less problematic.

This lack of a clear policy alternative will be perplexing to economists. There is real wisdom in the discipline’s predisposition to always compare alternative proposals. This approach has been extolled most recently by Amartya Sen as an important method for pursuing justice. In practice, the shaping of policies and institutions is fraught with uncertainties, and economists have learned to carefully consider the possibility of unintended consequences. In such an environment, Sen argues, the only way to proceed is to consider specific alternatives, even if you have a vision of a “pure” just social order to work with.

It is here that the Roman Catholic and “Kuyperian” Reformed traditions of social thought can serve as a helpful corrective. Despite areas of disagreement, many Catholic and Reformed thinkers will agree with the R.O. theologians that the creation of an autonomous “secular” social science is the source of many problems in the discipline of economics as well as the functioning of capitalist economies. The primary theological difference between the Reformed thinkers and

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the R.O. authors in particular is on the nature of the disconnect between this present time and the coming kingdom. Abraham Kuyper, while recognizing the problem with placing a secular state or market at the center of the social world, also emphasized the limitations that the fall places on our ability to shape the present world to reflect the eschatological kingdom. This part of the Reformed tradition has thus tended to reject the secular logic of capitalism and liberalism, while still advocating a very active, pragmatic approach to pursuing a just economic order. Secular states and markets, while corrupted, thus have a legitimate role to play, separate from the Church, in restraining sin and facilitating exchange. There could be a very fruitful exchange between these two theological traditions regarding the extent to which one can engage in the practicalities of policy-making without compromising the life of the Church and legitimizing the fallen elements of secular institutions.

**Which economic narrative?**


78 Abraham Kuyper, Lectures on Calvinism, The Stone Lectures of 1898 (Cosimo Classics, 2009), chap. 3.

79 Chaplin, “Suspended Communities or Covenanted Communities? Reformed Reflections on the Social Thought of Radical Orthodoxy”; Horton, “The Time Between: Redefining the ‘Secular’ in Contemporary Debate.”
Even if questions of policy are placed to one side, many Christian economists will disagree with the narrative that these theologians provide about the history, method, and aims of the economics discipline in particular, and modern social thought in general. These theologians see nihilism built into the set theories and practices that are based on a minimalist and materialistic anthropology. Economists will usually justify these same theories not because we embrace this implicit anthropology, but because we emphasize the virtue of formal simplicity in order to understand complex phenomenon. From the economist’s perspective, to accuse economic theorizing of nihilism is thus to miss the point.

Similarly, these theologians see, in capitalism, a system built upon an assumption of underlying conflict between individuals. Given the importance of competition in neo-classical theory and rhetoric, this characterization may seem difficult to counter. This narrative of conflict and violence is not, however, the only plausible narrative we can adopt to describe a market economy. It is worth noting that the primary justification for market mechanisms is not that they provide a less-violent means for adjudicating between conflicting preferences. The more common and fundamental justification is that coordination and cooperation between large numbers of finite creatures requires an extremely large amount of information. Only by relying on a decentralized information-filtering mechanism like the market can this coordination problem be solved. Seen in this light, economists will sometimes describe market competition as a method of economy-wide cooperative problem-solving.

Blanchard argues that at least some markets likely function as defenders of capitalism argue they do: not as zero-sum antagonistic contests, but as win-win exercises in interdependent
service. Some economists, most notably those in the Austrian tradition, have pushed this argument even further. Ludwig Von Mises famously argued that capitalism, as a system, is morally justified because it rewards those who serve their fellow citizens by providing desired goods and services. Some more recent scholars in the Austrian tradition have expanded similar arguments to fit the discipline of economics and institutions of capitalism into an explicitly moral framework.

At the same time, Blanchard also recognizes that there are markets that seem to better fit the exploitative, antagonistic narrative that some of these R.O. theologians prefer, in which commercial incentives seem to dominate Christian virtues. This possibility should demand more attention from economists. While the R.O. and Austrian frameworks are not the only possible narratives we could adopt about economics and capitalism, they do illustrate the range of economic worldviews that Christians have to consider. In light of this, economists’ habit of treading carefully around normative questions is less obviously problematic. While Economists often avoid these questions because they believe that economics has a logic that is independent from the theological narrative, sometimes they avoid theological questions because, to the discipline as a whole, the contribution of theology seems ambiguous.


That said, at very least, it is worth examining each of these narratives for fidelity to both the wisdom of our Christian tradition and the empirical record. Here collaboration between economists and theologians is especially important. It is difficult when a particular narrative is adopted by scholars in either discipline with little justification or consideration of the alternatives. It may be that one of the most important gifts that these theologians have to give the social sciences is to interrogate the narratives that receive too little attention by economists, despite the degree to which they shape the worldview of the discipline. In this sense, perhaps theologians have a comparative advantage in asking some big questions.\(^{83}\)

By the same token, economists may be better prepared to evaluate whether the claims about the world built into a particular narrative are a good way of describing historical events or current practice. Economists are well trained to skeptically examine causal stories regarding economic life. Even if Bell’s theology is compelling, when he relies on Hinkelammert’s “savage capitalism” thesis, he is making claims about economic life which are not a good description of reality for a large proportion of the world’s population.\(^{84}\) These claims, and the corresponding narrative, ought to be questioned by both economists and theologians.

**A Radical Orthodox economics**

In light of the significant issues raised by the Radical Orthodoxy critique, it is worth considering what kind of scholarship might be informed by, if not part of, a “Radical Orthodox” economics. I will offer four suggestions, which may serve to help economists re-envision our

\(^{83}\)Smith, “The ‘Ecclesial’ Critique of Globalization: Rethinking the Questions.”

\(^{84}\)Franz Josef Hinkelammert, *Cultura de la esperanza y sociedad sin exclusión* (DEI, 1995).

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discipline, and also point interested theologians to bodies of current scholarship that they might find helpful.

First, at minimum, as Bell and Smith suggest, it seems essential to consider non-material outcomes in our evaluation of policies and economic systems. These authors argue that, even if people are made materially better off, there might still be moral or theological reasons to reject a particular policy or system. While mainstream economic thought is decidedly materialistic, there is a significant amount of economic thinking that is not. Some economists have shown that we can ask questions not just about material well-being, but also about the kind of society that is formed by particular policies. Kurt Schaefer’s analysis of welfare reform experiments in the 1990’s is an example of scholarship that evaluates a central element of our economic system, within a theological context, and with a consistent emphasis on a plurality of material, moral, and social goals. Daniel Finn argues explicitly that there are at least four different goals that economists need to pursue simultaneously. This kind of work, admittedly, is the exception to the rule, partly because the materialist emphasis in economics is difficult to separate from the utilitarian framework that is central to the neo-classical consensus in economic thought. There have, however, been notable moves made to do economic analysis outside of this ethical


tradition. Andrew Yuengert’s work drawing on Catholic Social Thought, Mark White’s deontological approach to economic ethics, and Irene Van Staveren’s attempt to apply a virtue-ethic to economic policy, stand out in this respect, and may point to possible alternatives.88

Second, the argument that economic thought is predicated on an underlying ontology of conflict can motivate an exploration of ways which assumed conflicts or trade-offs might be, themselves, contingent rather than necessary. This could take two forms. Tiemstra and Finn both argue, for example, that the standard equality-efficiency tradeoff in economics is, in some key instances, unfounded, and that alleviating poverty can be complementary to wealth creation.89 Along a similar vein is Nobel prize-winner Elinor Ostrom’s work describing the local institutions that develop to avoid the “tragedy of the commons” apart from regulation.90 The R.O. authors point to a more radical direction for this type of research, however, in their advocacy of small-scale gift economies. Economists have also added significantly to this line of thinking by


exploring the context in which cooperative forms of production and exchange are possible. Economists can complement the work of theologians in this area by bringing to the discussion a nuanced analysis of the information and incentive problems that can impact large scale communal projects.

Third, this critique calls into question the limited attention the discipline of economics has given to the formation of economic culture. It is important to note that while these theologians are concerned with the way capitalism is supported by a particular culture, they do not offer a complete account of the relationship between the culture of capitalism and the theory and institutions of capitalism. There is, however, a body of scholarship that addresses these questions. The work of Samuel Bowles on endogenous preference formation and the cultural impact of market incentives stands out in this regard. Allowing for causal relationships between economic culture, individuals’ preferences, and economic institutions, as Bowles does,


can quickly undermine much of welfare economics and cost-benefit analysis - areas of economic thought that theologians very often find problematic.

Among Christian scholars there are a couple of examples of economic scholarship that target the importance of economic culture. Yuengert’s work on consumption is notable.94 Another is in Bob Goudzwaard’s *Capitalism and Progress* in which he argues that modern economic crises are, at root, best explained by an idolization of technology and progress inherent in enlightenment and modern thinking.95 Perhaps unknowingly, the R.O. authors echo Goudzwaard in their call for an alternative theological basis for social organization, though Goudzwaard, operating in the neo-Kuyperian reformed tradition, proposes that God-given norms of justice and love can disclose the proper ends of secular social institutions.

Finally, it is important that economists do scholarship that forces us to confront the assumptions about the nature of the social world that undergird the discipline. One way to do this is modeled by Long’s work, in which he looks to the economic doctrines of pre-enlightenment Christians as case studies in doing economics under a different set of presuppositions. Two such economic doctrines stand out as examples. First, the usury proscription, present in the Old Testament and much early church teaching, has been the subject of much serious scholarship. Long, however, shows that at least some of the common interpretations of Aquinas are not accurate, arguing that he, and the scholastics, had a much more nuanced view of the function of money than is commonly thought.96 More importantly, he uses the study of the usury proscription to uncover Aquinas’s conception of the role of Christian virtue in economic

94Yuengert, “Free Markets and the Culture of Consumption.”

95Goudzwaard, *Capitalism and Progress*.

exchange, arguing that “the usury prohibition can only make sense in terms of a community of virtue, and this requires that it not be forced through state power.”97 This is because, for Aquinas, the purpose of law is to “direct human acts to virtuous ends,” and the practice of usury, even if it is not exploitative, but especially when it is, is inconsistent with the development of the virtues of charity and justice.98 Some scholars, working in the scholastic tradition have similarly used the concept of usury to critique parts of our modern financial system.99

A second doctrine which warrants further scrutiny is teaching on the just wage. Most economists will approach discussions of minimum or living wages from within the standard labor economics paradigm, where the primary question is the nature of the equity-efficiency tradeoff. Even a quick examination of church teaching on just wages indicates, however, that there were an entirely different set of concerns and assumptions that originally motivated this doctrine. The scholastics argued that trade must serve the common good, and based the just wage on the presence of fair bargaining and consent, as well as the absence of coercion or compulsion based on need.100 In many cases the market wage approximated the just wage, but this was not assumed to be the case in all circumstances, especially given the prevalence of asymmetric bargaining power in labor markets.

97Long, Fox, and York, Calculated Futures, 137.
98Ibid., 150.
For Long, the material consequences of such policies are certainly relevant, but they are not the only information necessary to think about the morality of wages. In fact, Long goes so far as to claim that even if the policies don’t “work” by material measures, they might still be worthwhile:

Like the Church’s teachings on biological reproduction and just war, its assumptions about harmonious cooperation and just wages are to be embodied because they bear witness to God’s good creation, not because they “work” in a world still characterized, even at the end of history, by rebellion against God.\textsuperscript{101}

Like the usury prohibition, Long argues that the just wage only makes sense within a social world ordered by virtues:

The just wage assumes that it is \textit{intrinsically evil} for an employer to pay a wage less than what is necessary to sustain workers and allow them to make their own contributions to the common good. That latter qualification is important because it shows how the practice of the just wage assumes the priority of a charitable social order. Not only the wealthy are to be the benefactors of the common good; all who work should be able to have sufficient resources that they can likewise be benefactors. Such a charitable social order prevents the unjust hierarchy that gives undue power to those with wealth simply because they have wealth rather than wisdom or virtue to give away.\textsuperscript{102}

Long’s approach is not the approach of an economist, but the respect and attention he grants the Church tradition is something that economists can emulate.

\textsuperscript{101} Long, Fox, and York, \textit{Calculated Futures}, 179.

\textsuperscript{102} Long, \textit{The Goodness of God}, 249.
While each of the four elements of a possible “Radical Orthodox economics” do take into account some aspect of the R.O. critique, many do so incompletely, since many of the economists cited do not share all of the concerns of the R.O. theologians. Nevertheless, the examples here fit broadly into the discipline of economics, and can also serve to re-orient the discipline toward a different set of questions, and sometimes a different set of methods.

**Concluding reflections**

The “Radical Orthodoxy” project has produced a critique of economic theory and practice that lives up to its name. It is radical in that these theologians attempt to extend the critique of capitalism and economics beyond questions of allocation, distribution, and justice. They offer an alternative theological narrative of social life that runs counter to the narratives usually favored by economists. Moreover, this narrative demands an economic ethic that is far more radical than the “stewardship” ethic favored by many Christian economists. Participation in a whole range of economic practices of production and consumption will be suspect under their preferred narrative.

Absent some cooperative work done by both economists and theologians to discern which narrative is the closest to the truth, this sort of disagreement can easily dissolve into a public relations battle within the church, with each side talking past each other, trying to tell their story more forcefully or convincingly. Furthermore, it would be a mistake to think that this sort of dialogue is unimportant. Warring narratives about markets and capitalism can compromise the life of the Church. At stake is not just how we think about marginal income tax rates or our disposition toward large corporations. The whole set of economic practices that shape the lives of Christians can be either condemned or praised based on the narrative we accept. The practices
of Christian institutions are also at stake. If market-oriented practices are theologically suspect, and the medium is more powerful than the message, then some Church marketing and the creation of Christian cultural products could become exercises in futility.

Unfortunately doing academic work at the intersection of two disciplines is difficult. The “Radical Orthodoxy” theological framework is at such odds with mainstream economic thinking that dialogue is hard even for those well versed in both areas. Nevertheless, economists are often, as McCloskey observed “better scholars than our methodology would allow,” and some may be willing to reconsider the assumptions that these theologians find problematic.103 Moreover, there has been a significant amount of work done by Christian economists that can do quite a bit to bridge the gap between these two schools of thought. In light of this, some meeting of the minds may be possible. Hopefully this summary and engagement can function as a “translation” of sorts for both sides, and be one step toward better discernment.