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## Christianity and Economics in the Post-Cold War Era: The Oxford Declaration and Beyond (Book Review)

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communities, firms, and other organizations are seeking to implement an economy of care. The Kibbutz in Israel as well as some cooperative businesses in the Netherlands provide examples where care for each other and the environment, rather than obtaining a rising standard of living, has become the priority. They also discuss examples of labor unions that have expressed a willingness to accept wage freezes in order to promote better environmental stewardship and more jobs, as well as communities that have purchased local manufacturing facilities in order to preserve jobs (108-9). These and other illustrations challenge us to consider specific ways that we could be involved in reforming our economy.

For all its good qualities, this book suffers from several weaknesses. One is the tendency of the authors to accept the most alarming scenarios concerning global environmental problems, to blame most of the problems of less-developed countries on exploitation by the developed countries, and in general to accept the prevailing views of media and government elites. In their attempts to criticize our growth-oriented society, they present an oversimplified and misleading view of the relation between technology, unemployment, and the environment. Some of the resulting recommendations for reform, particularly their view that production needs to be more labor intensive, are liable to do far more harm than good if they become the basis for economic policy.

Although much of the criticism of utilitarianism as a philosophy and neoclassical economics is valid, the authors seem to miss or downplay some important insights from neoclassical economics and economic history that would qualify some of their recommendations. One thing they emphasize repeatedly is the need for more labor intensive production. The implication seems to be that investment in labor-saving technology causes unemployment, environmental degradation, and reduced quality of work.

Technology doesn't cause unemployment in the long run. Economic logic suggests that if employment declines in the manufacturing sector of the

economy because of rising worker productivity, employment would increase in another sector as the reduced cost of manufactured goods would enable consumers to spend more on something else. This is evident in historical trends of rising employment in services as manufacturing employment declines. The effect of technology on the quality of work and the environment can be positive as well. Information technology can reduce waste and make jobs more interesting.

The criticism of the market is also misdirected. The authors claim that from the point of view of the market, culture, nature, and human health have no value (83). They also suggest that markets have too short a time horizon and do not adequately account for the value of future consumption. This is not true, though it may be correct to say that these things are undervalued in Western societies. Markets merely reflect the underlying values of market participants. If market participants place a high value on culture, then they will not sacrifice their culture for something else that they value less. The same is true of nature, human health, and the needs of future generations. If current generations place a high value on the well-being of future generations, they will consume less and save more money, lowering interest rates and increasing the market value of investments, including investments in environmental conservation that are expected to yield high future benefits.

Most of the weaknesses of this book reflect either exaggeration of a problem about which there is legitimate cause for concern, misdiagnosis of the relation between current problems and economic policy, or the way in which the authors use terms like market economy. The essential point of the book that our economic system needs to be reoriented still rings true, though I might disagree with some of the details of their specific proposals. One doesn't have to accept all the authors' recommendations to find this book a challenging and thought-provoking call for reform of modern society.

*Christianity and Economics in the Post-Cold War Era: The Oxford Declaration and Beyond*, Herbert Schlossberg, Vinay Samuel, and Ronald J. Sider, eds. (Grand Rapids: Wm. B. Eerdmans, 1994). 186 pages, paperback, \$10.99. Reviewed by Tracy Miller, Associate Professor of Economics.

Is it possible for evangelical Christians to agree about the implications of Christian faith for economic policy in the contemporary world? Is trying to agree useful? What exactly does a Christian worldview imply about the nature of economic justice, the nature of work, and our relationship to the environ-

ment? These and other questions are addressed by this volume of essays that arose as part of the ongoing Oxford Conference on Christian Faith and Economics.

The introductory essay by Ron Sider describes the context in which the Oxford Declaration was drafted.

Next is the text of the Oxford Declaration on Christian Faith and Economics. It was the result of a conference attended by a diverse group of over one hundred evangelical leaders from a variety of ideological backgrounds. Bankers, theologians, economists, ethicists, business leaders, and development practitioners were included. In the introduction, Sider emphasizes that significant agreement was achieved because everyone shared a commitment to scriptural authority and a desire to consider carefully factual evidence.

Much of the book is devoted to commenting on specific issues raised by the Oxford Declaration and analyzing its underlying premises and conclusions. I can best describe the important points raised by the declaration by summarizing the important comments made in parts two through four. Many of the authors summarize and expand on specific points of the declaration.

The first article in part II, "Work and the Gifts of the Spirit" by Miroslav Volf, focuses on what the Oxford Declaration says about the nature of work. It presents a pneumatological view of work. Work is more than something humans do; "it is part and parcel of who they are created to *be*" (37). A person's gifts should correspond to the work they perform (41). Work itself, has intrinsic value but it is not the ultimate source of human identity. Work, however, has an eschatological significance in that "humans can make a 'small and imperfect contribution' to the emergence of the kingdom of God" through their work (40).

The next article, "Credit Based Income Generation for the Poor," by Remenyi and Taylor, provides some fairly specific recommendations of how Christians can better contribute to economic development of the poor in the two-thirds world. A common stereotype of the poor is that they are "illiterate, itinerant, and unaccountable" (46). The authors argue that poverty results from systems of injustice. But they do not accept the simple-minded view that redistribution via government foreign aid is the way to help the poor. Instead, they emphasize the importance of working with the poor by lending small amounts to individual enterprises. They present some data demonstrating that the repayment rate on micro-investment loans to the poor is much higher than the repayment rate on larger loans to more established firms. Income of the poor can rise dramatically if institutions are developed which efficiently channel savings toward investment in small enterprises in the informal economy. A free market economy, with relatively stable

prices, combined with peer group acclaim, support, and discipline is needed for this plan to work (51).

Beisner's chapter "Justice and Poverty: Two Views Contrasted" infers from scripture passages, particularly those describing the character of God, to argue that justice requires impartiality. He is critical of a view of justice, presented in the Oxford Declaration, which "focuses on love, inclusion in the community, and meeting people's needs" (58). The article includes a careful study of scripture passages and concludes that distributive justice requires that each person should get what is deserved according to formal rules.

Mott responds to Beisner in the next chapter. He argues that biblical justice is both partial and impartial, operating on "the premise that the impartial treatment of all members of the community requires special attention to the groups in society that are most needy" (84). The problem with the liberal view of justice presented by Beisner is that it views individuals as separate entities, while the biblical view assumes that people are social beings so that their relationship to one another in the community also matters.

P.J. Hill argues in the next chapter that differences between the participants of the Oxford conference are more at the level of perceiving policy consequences rather than fundamental values. He is generally critical of government intervention in the market. He emphasizes the role of attitudes and incentives to create wealth, and the effectiveness of markets in generating and communicating information about priorities. Even if we could agree that certain situations represent injustice, the government has limited information about the needs of individuals and the circumstances responsible for cases of injustice. Attempts by governments to achieve particular justice could lead to "injustices of even greater magnitude" (105).

In "Destroying Poverty without Destroying Poor People," Herbert Schlossberg emphasizes what he sees as a neglected theme in the Oxford Declaration and similar evangelical statements about poverty. Widespread prosperity can be achieved only by creating wealth through investing capital in productive enterprises. He tempers his criticism with praise for the study of income generation by Joe Remenyi, as summarized in the Remenyi and Taylor chapter. He issues a caveat to their study, noting that small scale "income generating projects can become the same destructive panaceas that foreign aid has been" without changes in cultural mores and in the legal envi-

ronment to make it easier and more acceptable to start and operate a profitable business. To those interested in specific economic issues, the chapters in part III are somewhat less interesting than those in part II. Their main contribution is to reflect on other Christian documents on economics in comparison with the Oxford Declaration. The first chapter, "Toward an Ecumenical Consensus," discusses the similarities between the Oxford Declaration and *Centesimus Annus*, the encyclical letter from Pope John Paul II, written in May 1992.

The second chapter in this part provides some insightful criticism of the Oxford Declaration by comparing it with the World Council of Churches (WCC) document "Christian Faith and the World Economy Today." One weakness of the Oxford document is that while emphasizing how the state may hinder investment in small business that could help the poor escape poverty, it neglects the way large multinational corporations may reduce the viability of small, locally based enterprises through competition. He also is concerned that the Oxford Declaration fails to consider the environmental consequences of free trade or whether there are limits to economic growth as emphasized by economists like Hermann Daly.

The next chapter by Donald Hay compares the WCC study document *Economy as a Matter of Faith*, *Centesimus Annus*, and the Oxford Declaration. All three warn "against treating the market as an idol that can solve all society's problems and against the culture of selfishness and consumerism" that markets can promote (154). As might be expected, the Oxford Declaration gives greater weight to scriptural authority, while *Centesimus Annus* emphasizes tradition, and the WCC study document emphasizes the primacy of reason. Since they have a clear and authoritative basis for social ethics, the Oxford declaration and *Centesimus Annus* are more rigorously developed and argued than the WCC document. A weakness of the Oxford declaration is that it has no program for action by the churches, and it does not have any authority in evangelical denominations. By contrast the WCC study document has a "concluding section detailing how it thinks Christians should respond to economic issues," and papal encyclicals are authoritative for Roman Catholics (156-57).

The chapter "Stewardship in the Nineties: Two Views" contrasts a statement by the World Council of Churches entitled "Justice, Peace, and the Integrity of Creation" (JPIC) with the Oxford Declaration. JPIC

argues that we must depart radically from existing modes of Christian ethics because we have created a crisis leading to the brink of economic and ecological apocalypse. The authors are very critical of this statement by the WCC. It reflects a theological orientation that denies human uniqueness, dilutes God's sovereignty over creation, and equates "redemption with renewal of the earth while neglecting personal atonement" (164). The orientation of JPIC "ensures that thorough and balanced economic and political analysis will receive little account, and that worst case scenarios will rule the day" (165). While praising the theological orientation of the Oxford Declaration, the authors suggest that the Oxford participants could learn from JPIC's sense of urgency to address specific issues of public policy.

In the final chapter Skillen argues that the Oxford Declaration doesn't deal adequately with the notion of economic institutions and why they developed in creation. Another problem "is that the statement allows important differences in economic judgement... to be covered over by general confessional statements" (177). Words like "justice", and expressions like "the generation and distribution of wealth" are used without being clearly defined. Where the document tries to be concrete, such as in its discussion of sustenance rights, it fails to discuss which institutions should be responsible to provide this, other than saying that the government should satisfy these rights only as a last resort. Skillen would like to see Christians devote more time to considering what role the family, businesses, churches, and other organizations should play in addressing specific needs in society.

The strength of this volume is that it presents a variety of viewpoints on some important economic issues. Its primary weakness is that some of the essays do little more than summarize some aspect of the Oxford Declaration. Those chapters that emphasize weaknesses or limitations are more enlightening. The comparisons with other church pronouncements are interesting and instructive, particularly those that emphasize the contrast between the theological and political presuppositions of mainline churches compared to Catholics and Evangelicals. Development economists should consider the important insights of the Remenyi and Taylor article. The Beisner and Mott chapters, which provide two opposing views of justice, and the Skillen chapter, which emphasizes the limitations of the declaration, deserve careful reading.