



Economics, Theology and Religion Newsletter #8

Erasmus Economics & Theology Institute

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REVIEW OF SOCIAL ECONOMY

Effect of Religion on the Risk Behaviour of Rural Ghanaian Women: Evidence from a Controlled Field Experiment

Emmanuel Ayifah, Aylit Tina Room, Umakrishnan Kollamparambil & Stephen A. Vosti

Religious doctrines may guide individual attitudes and preferences, including risk behaviour among others. We estimate the effect of religion on the willingness to take risk amongst 1209 rural women in Ghana, and observe that, whereas religious affiliation influences the decision to engage in risk, it does not in any way influence the level of risk taking thereafter. Specifically, we find that relative to the non-religious, religious affiliation of a woman influences her willingness to engage in risk negatively; however, we find very little difference in such willingness to engage in risk between the different religious groups.

Keywords: risk behaviour; religion; women; Ghana

JEL-codes: D82, J16, Z12

JOURNAL OF BUSINESS ETHICS

Religious Beliefs Inspire Sustainable HOPE (Help Ourselves Protect the Environment): Culture, Religion, Dogma, and Liturgy—The Matthew Effect in Religious Social Responsibility

Yalin Mo, Junyu Zhao & Thomas Li-Ping Tang

China has achieved economic prominence but damaged the natural environment. Can religions excite pro-environmental actions? Chinese religion encompasses Buddhism, Christianity, Islam, native Taoism, and indigenous folk beliefs (GuanDi and Mazu). We theorize that believers demonstrate more sustainable HOPE (Help Ourselves Protect the Environment) than non-believers. Religions with standardized and formal liturgy show more pro-environmental HOPE than those without it. We challenge the myth that the believers of Christianity and Islam display more sustainable HOPE than other faith. The 2013 Chinese General Social Survey (involving 10,017 randomly selected participants across 28 provinces) revealed that 11.10% of them have faith. Believers display higher levels of HOPE than atheists, demonstrating the religion effect. Among believers, native Taoism and Buddhism exhibit more ecological HOPE than other religions, supporting the dogma effect in the Chinese culture. Religions with formalized liturgy demonstrate more pro-environmental HOPE than generalized folk beliefs—GuanDi and Mazu, validating the liturgy effect. Females, married, and people with good income, education, health, and country-domicile—the haves—exhibit robust ecological HOPE. The rich get richer and greener. However, those who are older, males, urban residents, and the Han majority do not. We empirically demonstrate the Matthew Effect in Religious Social Responsibility: Religious faith facilitates believers' pro-environmental behaviors—HOPE and ethical behaviors in China.



JOURNAL OF THE HISTORY OF ECONOMIC THOUGHT

The Economics of Bernard Lonergan: Context, Modeling, and Assessment

Paul Oslington

Bernard Lonergan S.J. (1904-1984) is unusual among major theologians in engaging deeply with economic theory. In the 1940s he developed his own dynamic multisectoral macroeconomic model, informed by readings of Adam Smith, Karl Marx, John Maynard Keynes, Friedrich Hayek, Joseph Schumpeter, and later Michal Kalecki. Lonergan's economic research is little known because the economic manuscripts were not published in his lifetime and his interactions with professional economists were limited. In the 1970s, however, when he returned to economics he engaged with post-Keynesians and taught a graduate course on macroeconomics at Boston College until illness overtook him. This paper places Lonergan's economic research in the context of his overall intellectual project, outlines his macroeconomic model and associated theory of the business cycle, then evaluates his contribution in relation to mid-twentieth-century macroeconomics and considers whether it has anything to offer contemporary economists. Whatever view we take of his theoretical contributions, Lonergan's work opens up connections between economics and theology.

Idleness and the Very Sparing Hand of God: The Invisible Tie Between Hume's Dialogues concerning Natural Religion and Smith's Wealth of Nations

Paolo Santori

In the eighteenth-century Scottish and British cultural context, idleness was a central issue for religion, literature, art, and philosophy. This paper analyzes the reflections of David Hume and Adam Smith on idleness and commercial society. Hume advanced his most provocative view on the subject in his *Dialogues Concerning Natural Religion* (1779), where idleness is represented as the endowment made by the "very sparing hand" of the "author of nature" to humanity. My argument is that Smith's view on idleness that was advanced in the *Wealth of Nations* (1776) is connected to Hume's *Dialogues*, as Smith's invisible hand defeats idleness through a combination of self-interest, the propensity to exchange, and the division of labor. The broader aim of this study is to add to the philosophical relationship between the Scottish philosophers.

JOURNAL OF THE ROYAL ANTHROPOLOGICAL INSTITUTE

How to Manifest Abundance: Money and the Rematerialization of Exchange in Sedona, Arizona, USA

Susannah Crockford

Manifestation is a spiritual practice with material gains. It is a way for those involved with spirituality in Sedona, Arizona, to make money as required while maintaining a level of consonance between their economic life and spiritual path. Analysing the entwinement of economics and religion in everyday life, this article contributes to literature on spiritual economies and, more broadly, to the anthropology of money. Manifestation is a way of figuratively rematerializing exchange, mirrored in preferences for trade and barter and currency backed by gold. Dematerialized money – the stocks, bonds, and derivatives of high finance – is rejected as enacting a low vibration; it is negatively valenced in cosmologies of spirituality. Preferences for money forms reveal responses and reactions to neoliberal capitalism in an embedded, industrialized economy.



JOURNAL OF CHURCH & STATE

The Effects of Defaults and Financial Models on the Levels of Revenue for Established Churches

Trine Bille & Sidsel Kjems

The purpose of this article is to explain why the revenue of the established churches in different countries differ substantially. Former research has compared the level of revenue of the established Protestant churches in seven countries: The Nordic countries (Denmark, Norway, Sweden, Iceland, and Finland), England, and Scotland. This comparative analysis shows that the revenue in percentage of GDP of the established churches in the Church of England and Church of Scotland is only about one-fourth of the revenue of the established church in Denmark. The revenue of the established churches in Norway and Iceland is about one-half of the revenue of the established church in Denmark, while the revenue of the established churches in Sweden and especially Finland is higher. The question we will address in this article is: Why do the levels of finance differ so greatly between these countries? (...)

INTERNATIONAL JOURNAL OF ECONOMICS, BUSINESS AND ACCOUNTING RESEARCH

Transformation of Sharia Economy in the Populist System

Miftahur Rahman, Fathudin & Abdul Basit

This research discusses the transformation of sharia economy in the populist system. The growth of LKS (Lemabaga Keuangan Syariah) is determined by the strategic role of Indonesia's national development. The most basic national economic problems can be overcome by increasing UMKM / people's economies whose value reaches 99% of the overall onal rice economy. Therefore, it is better to develop sharia / Islamic economy in Indonesia focused on the people's economy, not only on the financial industry sector. The transformation of islamic economy is synergized with the indonesian context of the populist economic system. The basic principles of islamic economic synergy and the populist system are: divinity, justice (social justice), balance (humanity), freedom (deliberation), unity (family), and responsibility.

Keywords: transformation; Sharia economy; populist system

HTS THEOLOGIESE STUDIES/THEOLOGICAL STUDIES

The Need for Social Theology to Strengthen the Social Functions of Islamic Banking in Indonesia

Wahyudin Darmalaksana

This study is based on the objective conditions of Islamic banking in Indonesia, which have not carried out their social functions optimally. Based on reports from the financial services authority, Indonesia bank and several related research, the efforts to optimise the social function of Islamic banking still encounters several problems related to the distribution of banking funds that are more focused on business interests, lack of real business run by Islamic banks, customer funds that are mostly deposited in Indonesia bank and have not been distributed to the real sector effectively, to banking activities by referring to the capitalistic economic paradigm and not fully referring to sharia guidelines. The results of the study of documents, literature and actual phenomena using descriptive and holistic analysis methods indicate that the degradation of the social function of Islamic banking appears as a result of a lack of



understanding of the concept of Islamic economics based on the construction of Islamic social theology. The lack of understanding of banking management towards Islamic social theology has created a gap between the practical and conceptual sides of Islamic social theology, which in turn has an impact on the lack of social commitment from related parties in the implementation of Islamic banking activities. Strengthening the practical side of Islamic social theology is a necessity to overcome the existing problems.

Keywords: falah; Islamic banking; Islamic laws; justice; prosperity; Sharia; social function

MILLAH: JURNAL STUDI AGAMA

Islamic Bank Customers' Categorization of Cognitive Process Regarding Usury: A Case Study in Bank Syariah Indonesia Manado

Telsy Fratama Dewi Samad & Ahmad Saifulloh

Although previous studies on usury have been conducted, the focus on customers' knowledge of usury was limited. This study aimed to analyze Islamic bank customers' cognitive process regarding usury and to analyze the differences between Muslim and non-Muslim customers' perspectives regarding usury practice in the bank. The study could be categorized as qualitative because it used qualitative data in the form of interview results. Furthermore, it used a case study approach with Bank Syariah Indonesia Manado as the location. Twenty customers of the bank, ten of them Muslims and ten other non-Muslims, were selected as participants using a convenience sampling method. They were interviewed using the Zoom application to collect data on their knowledge regarding usury and Islamic banks. Anderson and Krathwohl's categories of the cognitive process were used to categorize participants' responses. The results showed that all customers attained level 1 (remember) and level 2 (understand) usury and only four of them attained level 3 (apply) based on Anderson and Krathwohl's categorization. It implied that only four of ten Muslim participants become customers of the Islamic bank because of their belief in the bank's status as a usury-free financial institution. Other findings suggested that all customers were in the same opinion that money lending practiced by the loan sharks should be categorized as usury, while not all customers viewed money lending by the current banking industry as usury.

Keywords: Bank Syariah Indonesia; Muslim customer; non-Muslim customer; usury.

New Book Chapters

IN: ENCYCLOPEDIA OF RELIGIOUS ETHICS

Economics

Max L. Stackhouse

Throughout history, religion has been related to economic life. While every religion has its own constituting framework of moral meaning, religious ideals are modulated by their contextual applications when they encounter other possibilities of thought and worship or find it necessary to address new situations. Each religion will tend to see some changes as fundamentally immoral, and others as compatible with core values. Ancient examples of such changes can be found in recent studies of the Old Silk Road. Still, the persistence of the two great hypotheses forces us to inquire further into the nature and character of ethics and religion in relation to economic life. The first hypothesis, associated with Karl Marx, was actually



explored long ago by materialist philosophers both in the West and the East. The second hypothesis is associated with the legacy of Max Weber.

Labor and Trade

Christine Firer Hinze

Every major religious tradition deems economic activity morally and spiritually significant; in each historical context, religions have shaped, and been shaped by, extant understandings and practices of work and trade. Religions ground interpretations of economic life in affirmations concerning: a) an ultimate, transcendent center and source of value; b) the centrality of community; and c) the promise that human transformation is possible. How Buddhism, Judaism, Christianity, and Islam flesh out these tenets in distinctive teachings concerning work and trade is briefly discussed. Major changes wrought and challenges posed, especially for vulnerable workers, women, and families, by modern western economic thought and globalizing markets are outlined. Religions'—often overlapping—ethical and practical resources for addressing these challenges, and the promise of religions' engagement in multi-associational collaborations for advancing work and trade justice are noted. The conclusion raises four areas in special need of continued religious-ethical and practical work.

Production and Consumption

Joe Blosser

Production and consumption have a wide variation in meaning depending on the kind of work scholars rely on them to do. By creating a typology of how religious ethicists and economists relate their fields, one can better understand the intellectual labor production and consumption are intended to do. In whatever manner scholars use these terms, they use them across three domains of meaning. They are used to analyze and explain how societies function, they speak to how we understand who humans are, and they make value-claims. With an understanding of how production and consumption are used and the kinds of claims they make, religious ethicists can more precisely evaluate and employ these concepts.

New Books

***Theology, Morality and Adam Smith* (Routledge, June 2022)**

Jordan J. Ballor & Cornelis van der Kooi (eds.)

This work details the theological sources and moral significance of the life and work of the Scottish moral philosopher Adam Smith (1723-1790). The panel of contributors deepens our understanding of Adam Smith in his religious and theological context and the significance of this understanding for contemporary moral, economic, and political challenges to modern social life. The chapters cover a broad range of disciplinary and historical concerns, from Smith's view of providence and his famous "invisible hand" to the role of self-interest and benevolence in Smith's social and economic thought. A better appreciation for the moral and theological dimensions of Smith's thought provides not only a better understanding of Smith's own context and significance in the Scottish Enlightenment but also promises to assist in meeting the perennial challenges of properly connecting economic realities to moral responsibility. The book is of interest to advanced students and scholars of the history of economic thought, historical and moral theology, intellectual history, political science, and philosophy.



Persons of the Market: Conservatism, Corporate Personhood, and Economic Theology
(Michigan State University Press, August 2022)

Kevin Musgrave

Taking corporate personhood as a starting point, *Persons of the Market* observes the complex historical entanglement of Christian theology and liberal capitalism to shed new light on their seemingly odd marriage in contemporary American politics. Author Kevin Musgrave highlights the ways that theories of corporate and human personhood have long been and remain bound together by examining four case studies: the U.S. Supreme Court's 1886 Santa Clara decision, the role of early twentieth-century advertisers in endowing corporations with souls, Justice Lewis Powell Jr.'s eponymous memo of 1971, and the arc of the conservative movement from Ronald Reagan to Donald Trump. Tracing this rhetorical history of the extension and attribution of personhood to the corporate form illustrates how the corporation has for many increasingly become a normative model or ideal to which human persons should aspire. In closing, the book offers preliminary ideas about how we might fashion a more democratic and humane understanding of what it means to be a person.

The Economics of Redemption and Retribution in Isaiah 40-66 (dissertation, Duke University, 2022)

Cody Nathan David

Economics primarily focuses on describing the systems that govern the allocation of resources in human society. Many religious traditions also use terminology derived from economic systems to express theological concepts; within the Hebrew Bible, this is especially evident in Isaiah 40-66. Drawing from theories from the field of Cognitive Linguistics, particularly the Blending Theory of Gilles Fauconnier and Mark Turner, and treatments of literary metaphor by Paul Werth and others, I argue that redemption in Isaiah 40-55 draws from the ancient economic practice of paying a price to buy somebody back. YHWH, having sold Israel into debt servitude in the exile to pay off the debt of her sins, later redeems her by paying off this debt himself. The language that the authors use to express YHWH's retribution also comes from the economic realm—YHWH pays wages to Israel and YHWH's enemies in exchange for work. These two images are distributed unequally in different parts of Isa 40-66, as redemption discourse appears primarily in Isa 40-55 and retribution discourse appears primarily in Isa 56-66. Other economic metaphors also appear on a smaller scale in this corpus, which shows the extent to which economic thought was starting to take hold of the imaginations of the Judean thinkers of the time. By explaining the meanings of redemption and retribution in their original historical contexts, this dissertation also sheds light on many other key motifs in Isaiah 40-66 (such as sin, forgiveness, atonement, mercy and retribution), which leads to a better understanding of the section as a whole. My conclusions also bear on other discussions in Hebrew Bible scholarship. First, this study fills a lacuna in treatments of metaphors in the Hebrew Bible by treating economic metaphors, which have not received sufficient attention. Second, it argues that the rise in economic rhetoric amongst the Judeans started already in the exile, earlier than previously recognized. Third, it indicates that different authors wrote Isa 40-55 and Isa 56-66. Finally, it shows that Isa 40-55 is an authorial or editorial unity and that Isa 56-66 is a composite text.



Microfinance as a Tool for Socio-Economic Empowerment of Rural Women in Northern Malawi: A Practical Theological Reflection (dissertation, Stellenbosch University, April 2022)
Mwawi Nyirenda Chilongozi

Poverty is a multifaceted, gendered global challenge that affects women significantly more than men. To alleviate poverty and achieve sustainable development, women in the Global South are engaging in microfinance. Microfinance is the provision of financial services to underprivileged people who cannot access credit from commercial banks and is proving to be a tool of socio-economic empowerment of women from rural areas. This study explores the ways in which the church can promote the microfinance model of savings and loans in a holistic and sustainable way. This study discusses poverty and the feminisation of poverty in the light of the gender and development (GAD) approach and explores the status of women in Malawi in terms of education, health, agriculture, the environment, politics, issues of gender-based violence and socio-economic empowerment. African women theologies and transnational feminism are the theoretical lenses used to explore the advancement of the socio-economic empowerment of rural women in the Global South in the context of economic globalisation. Identified as feminist liberation theologies that seek justice and liberation of all people, African women theologies, are used as the theological lens to analyse the socio-economic empowerment of women in order to explore how women can be liberated from the oppression caused by economic injustice. (...)

Upcoming Conferences

Time, Money and God: Ethical, Metaphysical and Religious Aspects of the Usury Debate in Relationship to Sustainable Finance □
University of Antwerp

The Antwerp Summer School in Philosophy and Society seeks to address philosophical issues and problems pertaining to recent developments in Western societies. Its specific aim is to reflect on some of the major themes and debates that have recently emerged in the public sphere. This edition will focus on fundamental questions about our financial system on the nature of time, value and money. You get a stimulating engagement with key topics and thinkers at the intersection of philosophy, economics, ethics and theology.

Date/location: 7-8 July, online

ACE Conference 2022 □
Association for Christian Economics (UK)

Date/location: 8 July, University of West of Scotland & online

Calls for Papers

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