



Economics, Theology and Religion Newsletter #3

Erasmus Economics & Theology Institute

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New Articles

IN: THE TRANSFORMATION OF RELIGIOUS ORDERS IN CENTRAL AND EASTERN EUROPE

The Economy of Polish Monasteries Between the Charismatic and Routinisation Stage

Isabelle Jonveaux

Polish monasteries, having experienced suppression during the eighteenth and nineteenth centuries were not again subject to increased suppression during the Communist era. Most institutions were restored shortly after World War I and again in the 1980s/1990s. As a result, Polish monasteries have not found it necessary to reconstruct their economy entirely, as is the case in the Czech Republic for example; instead, they are aiming towards repositioning that economy within a new political and social context. The monastic economy studied here is especially focused on pastoral activities within or outside the monastery, that is to say, it is concerned with the production of religious goods. Productive economy does not feature prominently in monastic communities. The variety of institutions studied here has allowed us to observe the way different monastic communities have integrated economic factors according to the different stages in their charisma and routinisation. Newly founded monasteries try to minimise the importance of economy as much as possible, whereas others do not discuss the necessity of a rational economy. Nevertheless, as a utopia, a monastery must try to maintain an alternative position and always reinvent its alterity.

JOURNAL OF BUSINESS ETHICS

Analyzing Leadership Attributes in Faith-Based Organizations: Idealism Versus Reality

Krystin Zigan, YingFei Héliot & Alan Le Gry

This paper aims to contribute to the growing discussion about leadership in the contemporary Church of England with a particular interest in the complex interaction between social context and leadership practices. Implicit leadership theory (ILT) is used to explore mutual expectations around distributed models of lay and ordained leadership as well as 'ordinary' members' of congregation. Applying a qualitative research method, we conducted 32 semi-structured interviews in 6 Church of England parishes. Through the systematic analysis of relevant contextual factors at multiple levels, we identify limited congruence between ideal leadership attributes and actual behavior. We contribute to the ILT literature by identifying ethical attributes, such as the ability to help others flourish, as particularly pertinent to the religious setting. We also identify the malleability of some leadership attributes. We further contribute to the literature on organizational studies in faith-based organizations by offering novel insights into the relationship between leadership, followership and contextual factors at local parish level which have significant practical implications for recruiting and training church leaders and followers.

Unexpected Lives: The Intersection of Islam and Arab Women's Entrepreneurship

Hayfaa A. Tlaiss & Maura McAdam

This paper explores how Islam is understood by Muslim women entrepreneurs and considers its influence on their entrepreneurial experiences in the country-specific context of Lebanon. In so doing, we adopt a qualitative interpretative approach, drawing upon 21 in-depth, semi-



structured interviews with women entrepreneurs. Accordingly, we present empirical evidence detailing how Muslim women entrepreneurs utilise various aspects and teachings of Islam to make sense of their entrepreneurial decisions. We thus provide insight into how women's entrepreneurship interlocks with Islamic teachings and the restrictions imposed by patriarchal socio-cultural values in Lebanon. This paper advances entrepreneurship research by demonstrating how Islam unfolds as a source of inspiration and resilience for women entrepreneurs, if and when equipped with an Islamic feminist interpretation.

Religious But Not Ethical: The Effects of Extrinsic Religiosity, Ethnocentrism and Self-righteousness on Consumers' Ethical Judgments

Denni Arli, Felix Septianto & Rafi M. M. I. Chowdhury

The current research investigates how religiosity can influence unethicity in a consumption context. In particular, considering the link between extrinsic religious orientations and unethicity, this research clarifies why and when extrinsic religiosity leads to unethical decisions. Across two studies, findings show that ethnocentrism is both a mediator (Study 1) and a moderator (Studies 1 and 2) of the effects of extrinsic religiosity on consumers' ethical judgments. This is because extrinsic religiosity leads to ethnocentrism, and in-group loyalty manifested through ethnocentrism increases support for unethical consumer actions, thus establishing ethnocentrism as a mediator. At the same time, different levels of ethnocentrism can also influence how extrinsic religiosity leads to supporting unethical consumption via self-righteousness, thus establishing ethnocentrism as a moderator. The findings from this research have significant implications for diverse stakeholders who have an interest in religiosity and consumer behavior.

JOURNAL OF ECONOMIC HISTORY

Weber Revisited: The Protestant Ethic and the Spirit of Nationalism

Felix Kersting, Iris Wohnsiedler & Nikolaus Wolf

We revisit Max Weber's hypothesis on the role of Protestantism for economic development. We show that nationalism is crucial to both, the interpretation of Weber's Protestant Ethic and empirical tests thereof. For late nineteenth-century Prussia we reject Weber's suggestion that Protestantism mattered due to an "ascetic compulsion to save." Moreover, we find that income levels, savings, and literacy rates differed between Germans and Poles, not between Protestants and Catholics, using pooled OLS and IV regressions. We suggest that this result is due to anti-Polish discrimination.

NOVA ET VETERA

Thomas Aquinas, John Noonan, and the Usury Prohibition

Jeremy Bell

The Catholic Church's longstanding usury prohibition is today widely considered defunct. In contemporary capitalist societies a certain opprobrium attaches to "usury," in the popular sense of charging excessive interest on a loan, but lending at interest is otherwise accepted as a normal and necessary feature of economic life. Few within or without the Church (except Muslims) object to "usury" in the original sense of charging even low interest on a loan, absent any title beyond the mere act of lending. Recent popes have sometimes condemned "usury," but it is unclear whether they have used the word in its popular or in its original sense.² While the Catechism of the Catholic Church denounces "usurious and avaricious dealings" that lead



to "hunger and death," it nowhere prohibits usury as such.³ The 1983 Code of Canon Law is silent about it. On the whole, John T. Noonan Jr.'s observation in the introduction to his classic 1957 study *The Scholastic Analysis of Usury* remains valid: "Usury today is a dead issue, and except by a plainly equivocal use of the term, or save in the mouths of a few inveterate haters of the present order, it is not likely to stir to life." (...)

PHILOSOPHY OF MANAGEMENT

Why Catholic Social Thought is not a Theory (and How that Has Preserved Scholarly Debate)

Matthias P. Hühn

CST is widely disregarded in the academic and public discourse. This essay argues that this is the case for two related reasons. Firstly, CST is based on the pre-Enlightenment approach to moral philosophy, virtue ethics, while the mainstream in business ethics favours the rule-based approaches consequentialism and deontology and their variants. Secondly, mainstream approaches also have adopted a positivist epistemology where theories represent the Truth that must not be questioned: they have become ideologies. This paper argues that CST, mainly through the virtue ethical doctrine of the mean, is saved from having become an ideology and is much closer to the ideal of science as a self-questioning system than the mainstream in business ethics. This essay explains this counter-intuitive conclusion by tracing the history of CST and embedding it in an epistemic discussion and then suggesting what business ethics could take from CST to regain the all-important discursiveness it once had.

IZA DISCUSSION PAPERS

Religion in Economic History: A Survey

Sascha O. Becker, Jared Rubin & Ludger Woessmann

This chapter surveys the recent social science literature on religion in economic history, covering both socioeconomic causes and consequences of religion. Following the rapidly growing literature, it focuses on the three main monotheisms—Judaism, Christianity, and Islam—and on the period up to WWII. Works on Judaism address Jewish occupational specialization, human capital, emancipation, and the causes and consequences of Jewish persecution. One set of papers on Christianity studies the role of the Catholic Church in European economic history since the medieval period. Taking advantage of newly digitized data and advanced econometric techniques, the voluminous literature on the Protestant Reformation studies its socioeconomic causes as well as its consequences for human capital, secularization, political change, technology diffusion, and social outcomes. Works on missionaries show that early access to Christian missions still has political, educational, and economic consequences in present-day Africa, Asia, and Latin America. Much of the economics of Islam focuses on the role that Islam and Islamic institutions played in political-economy outcomes and in the "long divergence" between the Middle East and Western Europe. Finally, cross-country analyses seek to understand the broader determinants of religious practice and its various effects across the world. We highlight three general insights that emerge from this literature. First, the monotheistic character of the Abrahamic religions facilitated a close historical interconnection of religion with political power and conflict. Second, human capital often played a leading role in the interconnection between religion and economic history. Third, many socioeconomic factors matter in the historical development of religions.



Keywords: religion, economic history, Judaism, Christianity, Islam, economic development, education, persecution, political economy, finance, specialization, trade
JEL-codes: Z12, N00, J15, I15, I25

INTERNATIONAL JOURNAL OF PUBLIC THEOLOGY

Getting Paid and Paying Attention Basic Income, Theology, and Economics in a Time of Pandemic

Jane Barter & David Driedger

This essay explores some of the theological and economic presuppositions at work in the advocacy for Universal or Guaranteed Basic Income arising from the COVID-19 pandemic. This is not to undermine the movement toward basic income, but to use this development – including the churches’ involvement therein – as a starting point to ask certain theological questions about the way in which this intervention has been configured in neoliberal capitalism. We argue that this intervention can serve as an individualized remedy to a growing, and ubiquitous, social and economic need as the gap between rich and poor expands. This is a logic and strategy that is commonplace in neoliberal capitalism as it denies public goods and government responsibility in favour of privatization and individual consumptive “freedom.” This essay examines the ways in which neoliberalism offers its own theological account of individual freedom, which is itself a secularized form of Christian anthropology.

Keywords: economy, theology, Canadian Anglican and Lutheran bishops, basic income, COVID-19, neoliberalism

Jesus as a Socially (Ir)responsible Innovator: Seeking the Common Good in a Dialogue between Wisdom Christologies and Social Entrepreneurship

Christine Woods & Steve Taylor

This article examines the contribution of Jesus as an innovator to a public world in need of change. Jesus, as the fulfilment of God, is interpreted using the insights of Josef Schumpeter who argued for innovation as social change through creative recombination. The potential of recombination is located in the wisdom literature of the Hebrew Bible and then in Pauline literature, with ministry in 1 Corinthians portrayed as serving, gardening, building, resourcing, risking and parenting. These six practices are theorized as recombinations in which Paul seeks social change. Recombination is further tested through analysis of Jesus as a socially (ir)responsible innovator. An illustrative example, of an innovative Christian response to food insecurity, is provided to demonstrate a recombination that is socially (ir)responsible in challenging existing practices of consumption. Hence innovation is sourced in Jesus, as One who empowers socially (ir)responsible public formations that bear witness to God’s wisdom.

Keywords: innovation; social responsibility; Jesus the Innovator; Schumpeter; Paul; wisdom literature

OCCASIONAL PAPERS ON RELIGION IN EASTERN EUROPE

Economic Ethics of Ukrainian Protestants as a Means of Stabilization of Economic Processes Liudmyla Shtanko

The article considers the influence of Protestant business with its inherent business ethics, attitude to work, “labor ethics” on economic processes in Ukraine. It is noted that although Ukraine does not belong to a group of Protestant countries; Protestants take a very active



position in addressing many issues of social orientation. This paper describes the activity of Protestants in various fields of public life in Ukraine, including science, education, health, legal, and social spheres. Protestant businessmen have formed a Protestant business environment, which can include enterprises and organizations founded by Protestants and the influence of the founders on the concept of development is significant, and firms in which the vast majority of workers are also Protestants. It has been found that the influence of Protestant business and its ethical concept is due to a number of factors of direct and indirect influence. Protestants directly influence economic processes through their activities, and some organizations are members of sectoral and regional associations and participate through them to industries and regions; some organizations take part in legal and legislative activities. Indirectly, Protestant business influences are carried out through such stabilizing factors as creating a positive climate in the community, raising the level of spirituality of contact audiences, influencing the families of employees and partners, social initiatives, and solving problems of the local community. The strength and direction of the influence were assessed through a survey that compared several categories of respondents: founders and leaders, CFOs and chief accountants, and employees. The results of the survey confirmed the stabilizing influence of Protestant economic ethics on the socio-economic situation of both individual regions of Ukraine and its economy as a whole.

Keywords: Protestant ethics, Protestants, Protestant business, factors influencing economic processes, Ukraine

New Books

***Christianity and Market Regulation: An Introduction* (Cambridge University Press, July 2021)**

Daniel A. Crane & Samuel Gregg (eds.)

Historically, the Christian tradition has played an influential role in Western economic thought concerning the regulation of markets, but, with the fracturing of the Christian tradition following the Reformation, the decline of Christian influence in academia, and the increasing specialization of economic analysis, that influence has become increasingly opaque. This volume brings together an interdisciplinary team of prominent academic experts on market regulation from four different continents and various faith traditions to reconsider the impact of Christianity on market regulation. Drawing on law, economics, history, theology, philosophy, and political theory, the authors consider both general questions of market regulation and particular regulatory fields such as bankruptcy, corporate law, and antitrust from a Christian perspective.

***Divine Accounting Theo-Economics in Early Christianity* (Yale University Press, June 2021)**

Jennifer A. Quigley

The divine was an active participant in the economic spheres of the ancient Mediterranean world. Evidence demonstrates that gods and goddesses were represented as owning goods, holding accounts, and producing wealth through the mediation of religious and civic officials. This book argues that early Christ-followers also used financial language to articulate and imagine their relationship to the divine. Theo-economics—intertwined theological and economic logics in which divine and human beings regularly transact with one another—permeate the letters of Paul and other texts connected with Pauline communities. Unlike other studies, which treat the ancient economy and religion separately, *Divine Accounting* takes seriously



the overlapping of themes such as poverty, labor, social status, suffering, cosmology, and eschatology in material evidence from the ancient Mediterranean and early Christian texts.

***The Reformation of Welfare: The New Faith of the Labour Market* (Bristol University Press, June 2021)**

Tom Boland & Ray Griffin

Western culture has 'faith' in the labour market as a test of the worth of each individual. For those who are out of work, welfare is now less of a support than a means of purification and redemption. Continuously reformed by the left and right in politics, the contemporary welfare state attempts to transform the unemployed into active jobseekers, punishing non-compliance. Drawing on ideas from economic theology, this provocative book uncovers deep-rooted religious concepts and shows how they continue to influence contemporary views of work and unemployment: Jobcentres resemble purgatory where the unemployed attempt to redeem themselves, jobseeking is a form of pilgrimage in hope of salvation, and the economy appears as providence, whereby trials and tribulations test each individual. This book will be essential reading for those interested in the sociology and anthropology of modern economic life.

***Contemporary Issues in Islamic Social Finance* (Routledge, August 2021)**

Hussain Mohi-ud-Din Qadri & M. Ishaq Bhatti (eds.)

The development of Islamic banking and finance (IBF) previously centred around three regions of the world: the Middle East, Southeast Asia, and South Asia. However, in recent years, this has expanded, as interest in IBF has gained momentum in Australia, the USA, and Europe, especially in the UK. Several Western market players have established their own Islamic window or subsidiaries to cater to the need of growing Muslim populations in these regions. This book examines the recent developments in IBF, particularly in the context of Islamic social finance instruments, such as Islamic microfinance, halal education, takaful, mutual funds, and waqf. It covers the religiosity, spirituality, and tawhid index, which promotes social well-being and empowerment. The book is interdisciplinary, and theories, practice, and key issues are presented simultaneously, introducing new ideas and techniques to the IBF community. Moreover, the book examines topics such as innovation in Islamic social finance instruments, advanced techniques of risk mitigation in Islamic capital markets, marketing and the halal industry, and shari'ah-compliant instruments, which are critical to Islamic finance. The book is an essential reference text for academics and research students at the master's and doctorate levels in IBF.

***Does Religion Really Matter For Economy? Case of Turkey* (Sentez, April 2021)**

A. Ömer Toprak

In the scientific analysis of religion, the most important distinguishing feature of the economic approach compared to other disciplines is that it has not conflicted with religion, unlike other areas of social science. Especially with the rational choice theory, it is seen that religion and religiosity are the subject of scientific research as a phenomenon that affects the decisions and preferences of the rational individual. In this context, especially in many recent studies, the relationship between religion, religiosity and economic development has been discussed in both ways. Although the impact of religion and religiosity on economic development, or vice versa, the impact of economic development on religion and religiosity has been laid out mainly in researches reflecting the Christian world, this relationship has not been examined much in predominantly Muslim countries, including Turkey. This book examines this two-way effect based on data through a large volume of Turkey sample. In the first chapters, starting



from the age of enlightenment, we talk about the adventure of the areas that are the subject of the debate between religion and social sciences, and in the following sections, the answer to many questions in the context of economic analysis of religion is revealed based on data. What is the relationship between individual indicators of development, basic demographics and religiosity? Who are more religious, highly educated or low-educated people? Is there a gender gap in terms of religiosity? Or is age an important variable for religiosity? What is the change in religiosity as the income level rises? What does the comparison of regions with different levels of economic development tell us in terms of religiosity? You will find answers to many such questions on Turkey population and the rest of the world comparatively in this book.

Blessed Are Those Who Ask the Questions What Should We Be Asking About Management, Leadership, Spirituality, and Religion in Organizations? (IAP, 2021)

J. Goosby Smith & Erin D. Renslow (eds.)

Today's organizational environment is characterized by high levels of cross-cultural, cross-national, and cross-religious communication, conflict, collaboration, and commerce. This environment produces myriad encounters between individuals who embrace different ideologies, religions and spiritual practices. As such, unanswered (and even unasked) questions about management, spirituality, and religion abound. This book, seeks to advance our understanding by asking the big questions. *Blessed are Those Who Ask the Questions: What Should We be Asking About Management, Spirituality, and Religion in Organizations?* is intended to be provocative in nature. Its chapters address novel ways that leadership, organizations, and organizational stakeholders mutually impact each other by their similarities and differences in religious, spiritual, and ideological traditions, cultures, and practices. Interdisciplinary in nature and firmly grounded in scholarly literature, this book identifies and maps out bold new trajectories for advancing the study of management spirituality, and religion (including but going far beyond Western, Christian conceptualizations of religion). Sometimes universal, sometimes quite specific, this volume identifies unexplored, underexplored, or unresolved issues in the field and proposes new streams of research. Diverse conceptual, empirical, theoretical, and critical treatments that honor a variety of inquiry styles and research methods push the boundaries of MSR research.

Upcoming Conferences

Association for Christian Economics UK Annual Meeting □

Association of Christian Economists (UK)

Date/location: 9 July, Zoom