

Probing the Religious Roots of Economic Globalization

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Argentinian church leader Rene Padilla warns us that economic globalization is “the greatest challenge that the Christian mission faces.”¹ Similarly Richard Bauckham says that, contrary to what many perceive, the major threat faced by the Christian church in the twenty-first century is not postmodernity that believes there are no true metanarratives; in fact, it is the grand story of economic globalization that threatens not only the western church but also the whole world especially through the poverty and environmental destruction that comes in its wake. He says that “the reality of our world is not the end of grand narratives, but the increasing dominance of the narrative of economic globalization. . . . This is the new imperialism, an economic as distinct from the political and economic imperialism of the past, and representing, in fact, the domination of politics by capitalist economics.”² If these comments are correct, it is incumbent on the Christian community to understand these powerful forces or processes that these authors label ‘economic globalization.’

Often this reality is reduced to economic and technological forces. It is certainly true that the economic changes in our global world are the leading process in globalization. It is also true that the new global economic structures have been made possible by rapid technological innovation and development. However, this would be to misunderstand the broader cultural story of which economic and technological change are a part. Manfred Steger isolates and severely criticizes the economic and technological forces in globalization. He refers to this process as the “new market ideology” and has harsh words for this phenomenon. However, at the same time he welcomes the progressive transformation of social structures that the modern story brings the global world insofar as it brings freedom and equality.³ It is true that the spread of the western culture around the world has had both enriching and devastating effects, but I wonder whether the economic forces can so easily be separated from the whole process of modernization.

¹ Rene Padilla, “Mission at the Turn of the Century/Millennium”, *Evangel*, 19, 1 (2001), 6.

² Richard Bauckham, *Bible and Mission: Christian Witness in a Postmodern World* (Grand Rapids: Baker Academic, 2003), 94.

³ Manfred D. Steger, *Globalism: The New Market Ideology* (Oxford, UK: Rowman and Littlefield Publishers, Inc., 2002), x.

It seems much closer to the truth to see economics and technology as a central part of a bigger cultural story⁴ that finds its roots in the Enlightenment. Bob Goudzwaard calls this story ‘modern’ and refers to the process of working out this cultural story and its beliefs in the structures of public life as ‘modernization.’⁵ He comments that globalization is “a form or method of modernization on a global scale.”⁶ The forces of modernization in our global world come as a unified package; the economic and technological forces are part and parcel of a bigger worldview and story.

The ‘economic’ in ‘economic globalization’ cannot be separated from the broader cultural story of which it is part. But it is also true—and this is much more controversial but no less essential—that economic and technological change cannot be separated from the deeper *religious* forces driving the whole modern cultural story. Modern denotes not only social, economic, and political structures and processes, but a set of ultimate beliefs about the world that have been shaped by a long cultural story. These fundamental commitments unify, organise, provide direction for, and give shape to the various sectors of human life. Thus, “the word ‘modern’ is not neutral; it cannot be divorced from a specific view of life, humanity, the world, and ultimate meaning.”⁷

Jonathan Chaplin also believes that the story which has shaped the West for centuries is one of the most powerful players in the global world today, and for him it is also fundamentally religious. What Goudzwaard calls ‘modern’, Chaplin labels the ‘religion of secular humanism.’ In his penetrating book review of the first three books in the ambitious and significant four book series *God and Globalization* edited by Max Stackhouse, Chaplin notes that “the scope of the term ‘religion’ is insufficiently addressed in this series.”⁸ Religion is limited to traditional religions. For example, the third volume deals with the influence of Christianity on the West,

⁴ J. Richard Middleton and Brian Walsh speak of a twofold usage of the notion of ‘story’ in Alisdair McIntyre and other scholars. Story can mean a socially embodied narrative, which is an actual way of life of a people shaped by a common history. The second is a grounding or legitimating narrative which is the story they tell to account for and legitimate their way of life. I am using story primarily, though not exclusively, in the first sense. (*Truth is Stranger Than It Used to Be: Biblical Faith in a Postmodern Age*; Downers Grove: Intervarsity Press, 1995, 69-70)

⁵ Bob Goudzwaard with Julio de Santa Ana, “The Modern Roots of Economic Globalization,” in *Beyond Idealism: A Way Ahead for Ecumenical Social Ethics*; Julio de Santa Ana; eds. Robin Gurney, Heidi Hadsell, and Lewis Mudge (Grand Rapids: Eerdmans, 2006), 99.

⁶ Bob Goudzwaard, Mark Vander Vennen, and David Van Heemst, *Hope in Troubled Times: A New Vision for Confronting Global Crises* (Grand Rapids: Baker Academic, 2007), 142.

⁷ Goudzwaard et al., *Hope in Troubled Times*, 143.

⁸ Jonathan Chaplin, Review essay on Max Stackhouse et al, *God and Globalization*, Vols. 1, 2, 3 (Trinity Press International, 2000-2002), *Political Theology* 5, 4 (October 2004), 499. A revised, longer version of this article including a review of volume four is included in this volume.

tribal religions, Confucianism, Hinduism, Buddhism, and Islam which are all mined for their own unique resources to contribute to a more healthy globalization. However, as we noted in the introduction, Chaplin observes that “the volumes do not confront with sufficient robustness the question of whether the modern West has been equally, if not more, influenced by the *religion of secular humanism* and its offshoots in Enlightenment rationalism, liberalism . . . and capitalism . . .”⁹ Secular humanism is, of course, not considered a religion by those who have been inculturated into its story and conditioned by its beliefs since birth. It is certainly not studied in the religious studies department of a university. The religion of secular humanism domesticates traditional religions that offer another view of the world by limiting them to the private domain of life, to the ‘spiritual’ and ‘moral’ areas of life. The religion of humanism that has shaped the West, and that is now a major player in the global world, is a story that simply eliminates rival truth claims and competing visions of the world by finding a non-threatening place for those rival stories in its bigger narrative. If one simply accepts this western story, religion is, then, by definition private views of God and ethics.

Yet it is possible to define religion differently. Broadly we might see religion as our adherence to the ultimate truth of a universally valid story that commands our total commitment. That story narrates the world and gives to us our most basic beliefs, beliefs about the nature of the world, the nature and purpose of human life, the goal of history, the deepest problems of our world and how they can be remedied. These beliefs are held in faith, and like tectonic plates below the earth’s surface, shape the whole of our communal lives. They offer hope as they define the goal of human life and the path to get there. Given this description, secular humanism is indeed a religion. It is this story and its ultimate beliefs about the world that have had significant formative influence on the whole social, political, legal, and economic life of western culture. And this cultural and religious story remains very powerful today as one of the major actors in the global drama, not just because it is sweeping so many into its story, but also because its religious status is not recognized.¹⁰

⁹ Chaplin, Review Essay, 499-500.

¹⁰ If I can be permitted a personal story here: I remember the sense of liberation, even relief, expressed by a number of African leaders some years ago when during a seminar I led on the West and globalization, they began to realize that these western forces shaping Africa were not just the way things should be, the expression of a neutral scientific perspective, the norm for public life. Rather they were religious beliefs, and were competing with other religious forces for the soul of Africa.

The four part series on globalization edited by Max Stackhouse has gone further than others in recognizing the shaping power of religion in the global world. Stackhouse employs a rather complicated, even unwieldy framework derived from the New Testament language of principalities and powers.¹¹ As part of that framework, he speaks of the various ‘principalities’ at work in globalization—economics, politics, family and sexuality, media, and institutional religion. But further there are ‘powers,’ moral and spiritual energies that give spiritual impetus to the various social spheres. He also speaks of ‘dominions,’ religion that “integrates the principalities into a working whole, and what gives distinctive shape to the development of the authorities in complex societies.”¹² It is in the third book that this series addresses these dominions, and surprisingly the spiritual impetus of modernity or humanism is not discussed! As we observed in the introduction, Chaplin notes this lacuna, and says that “many would argue that this [religion of secular humanism] has been the most powerful of the ‘dominions’ governing the modern world. . . . And it is the late-modern form of secular humanism that is driving the processes of globalization.”¹³

If this is true, and I believe it is, then an analysis of globalization is severely hampered by the secular blinkers of the scholars who ignore these religious forces when they study globalization. The religious energy of the late-modern form of secular humanism that is one of the most powerful driving processes of globalism must be uncovered. One of the ways to unmask this religious motive is to look at its historical origins. Such a task is enormous and cannot be accomplished in one chapter. However, this chapter will briefly trace the humanistic seeds of globalization in the religious story adopted by the West in the 18th century Enlightenment, and then observe some of the ways that these seeds have developed to bear fruit in economic globalization today.

¹¹ There is a growing literature on this subject. See, for example, Hendrikus Berkhof, *Christ and the Powers* (trans. John H. Yoder; Scottdale, PA: Herald Press, 1962); Walter Wink, *Naming the Powers: The Language of Power in the New Testament. The Powers: Volume 1* (Philadelphia: Fortress Press, 1984); *Unmasking the Powers: The Invisible Forces that Determine Human Existence* (Philadelphia: Fortress Press, 1986); *Engaging the Powers: Discernment and Resistance in a World of Domination* (Minneapolis: Augsburg Fortress Press, 1992). For a brief discussion see Richard J. Mouw, *Politics and the Biblical Drama* (Grand Rapids: Baker, 1976), 85-116. A large part of the reason this theme has emerged is to counter an individualistic understanding. See Newbigin, *The Gospel in a Pluralist Society* (Grand Rapids: Eerdmans, 1989), 198-200.

¹² Max L. Stackhouse with Peter J. Paris, eds., *God and Globalization: Religion and the Powers of the Common Life*, Volume 1 (Harrisburg, PA: Trinity Press International, 2000), 50.

¹³ Chaplin, Review Essay, 500.

Early Roots of Secular Humanism

Humanism did not suddenly appear in the 18th century.¹⁴ Its roots are found in religious choices made by people going back to the Greeks. The humanism of Greece and Rome was preserved in a synthesis with medieval Christianity for close to a millennium. The 15th century Renaissance was a hinge into the modern world as it purportedly “broke the shackles of tradition, religion and superstition with the hammer of a humanism forged in Greece and Rome.”¹⁵ Romano Guardini helpfully formulates three compass points of the modern world that emerged at this time: nature, subject, and culture.¹⁶ The key to understanding all three of these concepts is *autonomy* by which Guardini refers to an understanding of creation, human life, and cultural development as existing apart from God and his authority. The non-human creation is removed from God’s presence and rule, and is made independent. Thus, it loses its character as ‘creation’ and becomes ‘nature.’¹⁷ Likewise the person becomes a ‘subject’ as human life is defined apart from God’s purpose and norms, and instead bears “the law of existence within itself.”¹⁸ ‘Culture’ is autonomous humanity’s mastery of and domination over nature to shape it according to their will and for their purposes.¹⁹ It will be this will to dominance, this penchant to define the meaning of human life in relation to the non-human creation that will lead to the idolatry of science, technology, economic growth, and material abundance in the coming centuries. Jürgen Moltmann summarizes one of the beliefs that “rule our scientific and technological civilization.”

To put the answer simply, it is the boundless will toward domination which has driven and still drives modern men and women to seize power over nature. In the competitive struggle for existence, scientific discoveries and technological inventions serve the political will to acquire, secure and extend power. Growth

¹⁴ Craig Bartholomew and I have traced this story at an undergraduate level in *Living at the Crossroads: An Introduction to Christian Worldview* (Grand Rapids: Baker Academic, 2008), 67-106.

¹⁵ Philip Sampson, “The Rise of Postmodernity,” in *Faith and Modernity*; eds. Philip Sampson, Vinay Samuel and Chris Sugden (Oxford: Regnum Lynx Books, 1994), 33.

¹⁶ Romano Guardini, *The World and the Person*, trans. Stella Lange (Chicago: Henry Regnery, 1965); originally published as *Welt und Person: Versuche zur Christlichen Lehr vom Menschen* (Würzburg: Werkbund-Verlag, 1939).

¹⁷ Guardini, *World and Person*, 11. Bernard Zylstra discuss a humanistic view of creation as ‘nature’ as “something that the cause of its own existence in itself, can exist by itself, and exists for itself” (“Thy Word Our Life, in *Will All the King’s Men . . . Out of Concern for the Church: Phase II* ; Toronto: Wedge Publishing, 1972, 156).

¹⁸ Guardini, *World and Person*, 9.

¹⁹ Guardini, *World and Person*, 11.

and progress are still gauged by the relative increase of economic, financial, and military power.²⁰

The scientific revolution gifted a method to the western world that would enable it to realise their autonomy, and control the world. At the beginning of the scientific revolution the Christian religious impetus was perhaps as culturally formative as the emerging humanism. However, by the end of this period humanism was the dominant faith that took up science into its stream. Contributing to this triumph of secular humanism was the reactionary opposition of the church to the original fathers of science which seemed to indicate Christianity's irrelevance to the emerging scientific world, as well as the religious wars of the 17th century that seemed to prove that the Christian faith was an unworthy cultural faith which only produced violence while science could achieve unity.²¹

As the scientific revolution drew to a close the “West had ‘lost its faith’—and found a new one, in science and in man.”²² Scientific reason, as the light of the world, was rising quickly moving toward high noon. Alexander Pope catches this mood in his paraphrase of Genesis 1:3 and John 1:4-9.

Nature and nature's laws lay hid in night.

God said ‘Let Newton be!’ And all was light.”

The Emerging Credo of Secular Humanism in the Enlightenment

During the 18th century Enlightenment this historical faith matured and the *credo* of modern humanism was forged. The dominating belief was a faith commitment to progress. Augustine's *City of God* had stamped upon western culture a narrative shape to the world with the notion of the movement of history toward the city of God. The Enlightenment writers substituted the

²⁰ Jürgen Moltmann, “The Destruction and Healing of the Earth: Ecology and Theology”, in *God and Globalization: The Spirit and the Modern Authorities* Volume 2; eds. Max L. Stackhouse and Don S. Browning (Harrisburgh, PA: Trinity Press International, 2001), 171.

²¹ See Goheen and Bartholomew, *Living at the Crossroads*, 89-91.

²² Richard Tarnas, *The Passion of the Western Mind: Understanding the Ideas that Have Shaped Our World View* (New York: Ballantine, 1991), 320.

notion of civilisational progress for God's providential rule of history. Christopher Lasch summarises the fundamental difference between 'providence' and 'progress': ". . . [1] historical change comes from within history and not from on high and . . . [2] man can achieve a better life 'by the exertion of his own powers' instead of counting on divine grace."²³ Faith is placed in human effort and ability to build a better world. Ronald Wright refers to this faith in progress as "secular religion,"²⁴ while Christopher Dawson believes that "progress is the working faith of our civilization."²⁵ And we must be clear that this is *faith*: "Progress of humanity belongs to the same order of ideas as Providence or personal immortality. It is true or it is false, and like them it cannot be proved either true or false. Belief in it is an act of faith."²⁶ And it fosters *hope*. Robert Nisbet argues that "no single idea has been more important in Western civilization. . . . This idea has done more good over a twenty-five-hundred-year period . . . and given more strength to human hope . . . than any other single idea in Western history."²⁷

The impact of the Christian story also remains evident during the 18th century in the biblical images of paradise that shape the hopeful imagination of many writers during this time. Some of their descriptions of what humankind will build in their own strength sound like the New Jerusalem. And what is the primary characteristic of the good life in paradise? The French Enlightenment philosopher Mercier de la Rivière answers: "Humanly speaking, the greatest happiness possible for us consists in the greatest possible abundance of objects suitable for our enjoyment and in the greatest liberty to profit by them."²⁸ Adam Smith, the shaper of the economic vision which was to have a powerful role in western culture, along with the other classical economists of the day also believed that happiness depended on material goods. Hla Myint notes that the "classical economists . . . believed that quantities of satisfaction are proportional to quantities of physical product."²⁹ Lawrence Osborn correctly observes that for

²³ Christopher Lasch, *The True and Only Heaven: Progress and Its Critics* (New York: W. W. Norton and Company, 1991), 45.

²⁴ Ronald Wright, *A Short History of Progress*, CBC Massey Lecture Series (Toronto: House of Anansi Press, 1994), 4.

²⁵ Christopher Dawson, *Progress and Religion: An Historical Inquiry* (Washington, D.C.: Catholic University of America Press, 2001; originally published 1929), 15.

²⁶ J. B. Bury, *The Idea of Progress: An Inquiry into its Growth and Origin* (New York: Dover Publications, Inc., 1932), 4.

²⁷ Robert Nisbet, *History of the Idea of Progress* (New York: Basic Books, 1980), 8.

²⁸ Mercier de la Rivière, in Bury, *Idea of Progress*, 173.

²⁹ Hla Myint, *Theories of Welfare Economics* (London: London School of Economics and Political Science, 1948), 9. Quoted in Bob Goudzwaard, *Capitalism and Progress: A Diagnosis of Western Society*; trans. Josina Van Nuis Zylstra (Grand Rapids: Eerdmans, 1979), 23.

Enlightenment social and economic architects “progress is identified with economic growth” and, therefore, “the economy [is] the chief instrument in modernity’s pursuit of happiness.”³⁰ Material prosperity and the freedom to pursue and enjoy it—this is the secular paradise toward which the West is now directed.

How does one get to this paradise? The medieval notion of providence is replaced by an understanding that humanity is now the primary agent in historical progress: “Man’s will, not God’s, was the acknowledged source of the world’s betterment and humanity’s advancing liberation.”³¹ The human capacity that can best get us to this materially abundant world is reason. Humanity “is capable, guided solely by the light of reason and experience, of perfecting the good life on earth.”³² Scientific reason liberated from religion, tradition, and faith can be employed to control, predict and shape the world according to humanity’s autonomous will.

This better world is realised, first, as scientific reason discerns the natural laws of the non-human creation and translates them into technological control. Both Francis Bacon and René Descartes urged the union of science and technology so that humanity could be the “master and possessor of nature.”³³ Enlightenment figures like the Marquis de la Condorcet envisioned progress toward a materially prosperous world constructed by science and technology.³⁴ But, second, if scientific reason could discern the laws of politics, society, economics, law, and education, analogous to physical law, then those laws too could be controlled to produce a more rationally ordered society. Bury describes the spirit in terms of a new social order that “could alter human nature and create a heaven on earth.”³⁵ Thinkers like Hugo Grotius were architects of a rationalist, secular view of natural law that was independent of God. In this new understanding of law there “was no longer a divine law-giver whose commands are to be obeyed because they are God’s Laws but are necessary relationships which spring from the nature of things (Montesquieu). As such they are available for discovery by human reason.”³⁶

³⁰ Lawrence Osborn, *Restoring the Vision: The Gospel and Modern Culture* (London: Mowbray, 1995), 46, 57.

³¹ Tarnas, *Passion of the Western Mind*, 323.

³² Carl Becker, *The Heavenly City of the Eighteenth-Century Philosophers* (New Haven: Yale University Press, 1932), 31.

³³ René Descartes, *Discourse on Method*, 3rd ed., trans. Donald A. Cress (Indianapolis: Hackett, 1993), 3.

³⁴ In light of the discussion of classical economics below it is interesting to note that Adam Smith wrote much of his treatise *The Wealth of the Nations* in de la Condorcet’s home.

³⁵ Bury, *Idea of Progress*, 205.

³⁶ Lesslie Newbigin, *The Other Side of 1984: Questions or the Churches* (Geneva: World Council of Churches, 1983), 12. Newbigin’s reference to Montesquieu (1689-1755) is from his famous first chapter in *De L’Esprit des Lois* (*On the Spirit of Laws*), an essay on government, first published in 1748.

The view of natural law that develops at the Enlightenment is thoroughly deistic. Deism is the transitional faith between Christianity and a secular faith. Deism retains the notion of creation order and normative law for society but separates that law from God's immediate presence and authority. The laws are built in to the creation as parts are built into a machine. This deistic view of law for society functions on a "false analogy with physics."³⁷ The new physics of the scientific revolution proceeded by analysing the smallest units of matter and searching for laws that related those units. Thus both political and economic theory started with the autonomous individual—the smallest unit of society—and looked for necessary and mechanical laws that governed the economic or political relation between them. In economics, for example, the "basic unit of society is a human being, who, with single-minded purpose, seeks to acquire the maximum of goods and services with the minimum of effort."³⁸ The laws of supply and demand, for example, govern the economic activity of these individuals.

The Economic Dimension of Enlightenment Secular Humanism

Here we see the seeds of a vision of life that will grow into full-fledged cultural worldview in the West, and play a major role in globalization. The extended attention to the economic dimension of globalization in the current literature requires us to pause here briefly and draw attention to the centrality and nature of economics as it developed in this maturing Enlightenment vision. We have noted that economics begins to play a leading role in European social life since material prosperity was a primary goal of human life. In his popular *The Making of Economic Society* Robert Heilbroner says that at the time of the Enlightenment "we begin to see the *separation of economic from social life*. The processes of production and distribution were no longer indistinguishably melded into the prevailing religious, social, and political customs and practices, but now began to form a sharply distinct area of life in themselves."³⁹ This could be taken to be healthy societal differentiation, in which a latent dimension of society that is creationally good is properly distinguished in its own right from other spheres. It could

³⁷ George Soros and Jeff Madrick, "The International Crisis: An Interview," *The New York Review of Books* (January 14, 1999): 38. Cited in Bob Goudzwaard, *Globalization and the Kingdom of God*, ed. James W. Skillen (Washington, DC: Center for Public Justice; Grand Rapids: Baker Academic, 2001), 24.

³⁸ Lesslie Newbiggin, *Truth to Tell: The Gospel as Public Truth* (Grand Rapids: Eerdmans, 1991), 77.

³⁹ Robert L. Heilbroner, *The Making of Economic Society* (Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1980), 70. His emphasis. The title is significant: economic is the primary adjective to describe western society.

also point to an unhealthy development where the economic dimension of life begins to take an exalted place in culture overriding other societal spheres. Certainly in the years that followed, the economic sphere of life began to take this kind of totalitarian power distorting other social spheres in modern life. Goudzwaard offers a vivid illustration of this exaggeration of the importance of economic growth in the West, along with the way in which all other societal spheres adapt to this single focus—a beehive. The centre of a beehive is the queen bee whose task it is to produce eggs. This takes place only as she is surrounded by a hive in which everything is functionalised and directed toward her task. Likewise the centre of western society would increasingly be economic and all other spheres would be shaped to contribute toward economic growth.⁴⁰

Since economics as it developed at this time would increasingly play such a leading role in western history, and now in globalization, it is essential also to see the deistic context in which classical economics was forged. Remnants of that deism were clearly in evidence in the 1980s when we heard Margaret Thatcher say “you can’t buck the market” and “there is no alternative” (TINA) to submitting to market forces. The deterministic language of necessary mechanistic economic forces before which we must simply acquiesce remains part of our world and is an important piece in understanding *economic* globalization.

In a deistic worldview where law is based on a false parallel with physics, economic law becomes mechanical. These laws are built into the creation just like various parts are built into a machine. These laws are inviolable just like the laws of physics. If I step off a 50th floor balcony, the laws of physics “kick in” and will make sure it is the last decision I make. You simply “obey” those laws or pay the price. Francis Bacon spoke of these natural laws when he said that “nature is only to be commanded by obeying her.”⁴¹ When the market and economic laws are understood in this false way, the market is no longer something that human society creates and moulds in a responsible way. It becomes an autonomous and neutral mechanism whose impersonal forces must simply be obeyed. Economics becomes “the science of the working of the market as a self-operating mechanism modelled on the Newtonian universe.”⁴² Newbiggin has strong words of warning for this deistic view of the market.

⁴⁰ Goudzwaard, *Capitalism and Progress*, 87-88.

⁴¹ Francis Bacon, *Novum Organum*, book 1, aphorism 129.

⁴² Lesslie Newbiggin, *Foolishness to the Greeks: The Gospel and Western Culture* (Grand Rapids: Eerdmans, 1986), 31.

The idea that if economic life is detached from all moral considerations and left to operate by its own laws all will be well is simply an abdication of human responsibility. It is the handing over of human life to the pagan goddess of fortune. If Christ's sovereignty is not recognized in the world of economics, then demonic powers take control.⁴³

In contrast to deism, God has ordered creation in such a way that human beings are given responsibility, and are called to shape economic life and the market in a just and equitable way. The market is *not* an independent and mechanistic phenomenon but the way human beings steward the earth's resources and responsibly shape their economic life together. To abandon our economic life to "market forces" is tantamount to giving up our economic future to fate. Abdicating responsibility by relinquishing the market to autonomous forces will simply allow the market to be shaped by the most powerful economic actors. Markets *will* be shaped by human economic activity—of that we can be sure because this is the way God has made the world. The only question is whether they will be formed in a just or unjust, a sustainable or unsustainable way.

Adam Smith, an Enlightenment economic philosopher, constructs his economic theory in this context. He is a deist and his views of economics are shaped by a mechanistic view of natural law. In fact, he was first a moral philosopher, and one of his primary concerns in a situation of economic deprivation was to increase goods so that they could be distributed to the poor. For this to happen, two forces were necessary—division of labour and accumulation of capital. The market would be the mechanism that would coordinate these forces for the material betterment of humanity. Thus, the market becomes a key to the prosperous future of humankind.

It is Adam Smith's "invisible hand" that reflects his deistic view. The invisible hand was the mechanism of the market at work co-ordinating the actions of self-interested people to produce wealth and distribute it more fairly. A reference to an "invisible hand" reflects the fading memory of the God's providential rule. Augustine had spoken of God's providence co-ordinating even conflicting individual activities in the same way a skilful composer resolves discordant

⁴³ Newbigin, *Truth to Tell*, 79.

sounds and harmonizes them into a grand melody.⁴⁴ Augustine's active and present God is now banished in the thought of the deistic Smith.⁴⁵ The way the invisible hand worked was as individuals acted according to self-interest, there would be a harmony of conflicting interests that would produce wealth and prosperity. Gradually the growing bounty would trickle down to prosper the poor. "The rich are led by an invisible hand to make nearly the same distribution of the necessaries of life, which would have been made had the earth been divided into equal portions among all its inhabitants; and thus, without intending it, without knowing it, advance the interest of society."⁴⁶ Again it is a succinct couplet of Alexander Pope that captures this deistic viewpoint.

Thus God and Nature formed the general frame,
And bade self-love and social be the same.

Bob Goudzwaard and Harry de Lange suggest that Enlightenment culture made two gambles or calculations at this point. The first was the happiness gamble: If we have more goods produced by labour we will be happy.⁴⁷ The second was the market gamble: If we let the market be free for the economic self-interest of individuals then it will guide us to a better future for all.⁴⁸ These were faith commitments that would provide a direction for the development of western culture.

⁴⁴ For this image of melody in Augustine's thought see John Neville Figgis, *The Political Aspects of St. Augustine's 'City of God'* (London: Longmans, Green and Co., 1921), 40. This has been republished by Forgotten Books (2007), and the reference to the 'melody' image is on page 33.

⁴⁵ Werner Stark, *Social Theory and Christian Thought: A Study of Some Points of Contact. Collected Essays Around a Common Theme* (London: Routledge & Kegan Paul Ltd. 1958), 25-38. After quoting Augustine's *City of God* V, 11, he says: "It is a far cry from these sentiments, characterized as they are by the deepest faith in a personal God . . . to such deistical or atheistical writers as Adam Smith and Kant, or Hegel and Marx. Nevertheless, the structure of their thought is very close to, not to say identical with, that of Augustine. All four . . . were convinced that there operates in history and society a hidden law which coordinates and combines the disjointed and selfish actions of individuals into a great social order or process which achieves other, and indeed, better, in the sense of moral, effects than they have ever contemplated or desired" (28-30).

⁴⁶ Quoted by Andrew Skinner in his Introduction to Adam Smith, *The Wealth of Nations* (Harmondsworth: Penguin Books, 1970), 27.

⁴⁷ David Wells is one of many who believes that this gamble—or faith commitment—has failed: ". . . study after study conducted during this period [1945-1973] suggested that although newly prosperous Americans had the money and the leisure time to own and do a multitude of things that had been mere dreams for many of their parents, they were increasingly less satisfied with their lives" (*God in the Wasteland: The Reality of Truth in a World of Fading Dreams* [Grand Rapids: Eerdmans, 1994], 13).

⁴⁸ Bob Goudzwaard and Harry de Lange, *Beyond Poverty and Affluence: Towards a Canadian Economy of Care*; trans. Mark R. Vander Vennen (Toronto: University of Toronto Press, 1995), 47-48.

In line with these gambles I would suggest that there are at least four religious choices in evidence at this point that would shape subsequent history. First, in keeping with Goudzwaard's happiness gamble, Enlightenment thinkers assume the goal or end of human life is material prosperity. This offers a vision for the good life, for what it means to be human, for what will satisfy our deepest longings. Second, this goal means that the relationship of humanity to nature that would determine human life. Human beings have three relationships—to God, to each other, and to the non-human creation. Medieval culture focussed on the vertical relationship to God, and Asian and African cultures find a centre in horizontal social relationships. It is the relationship with the non-human creation that gives western humanity their identity and resources for happiness. It would be the control of 'nature' that would give prosperity. This is why science, technology and the market would become such powerful idols or, maybe better, false messiahs: they are viewed as capable to bring about the goal of human life. Third, law was understood in a mechanistic fashion. Humanity has long been concerned to understand the lawfulness of God's world. How one understands order and law is not 'scientific' but a faith commitment bound up with one's broader worldview. Here law is understood as inbuilt regularities springing from the nature of things that must be obeyed. Finally, the deepest faith commitment of the Enlightenment is that human effort can solve the world's problems. As the committed humanist Corliss Lamont puts it, humanism "assigns to us nothing less than the task of being our own savior and redeemer."⁴⁹

Goudzwaard summarises the growing faith commitment of the Enlightenment: "Growth in prosperity and scientifically founded technological progress are the two indispensable allies on the way to a better future. This is part and parcel of the Enlightenment creed."⁵⁰ This confessional vision has been transfused into the bloodstream of western culture. It is this Enlightenment *credo*, with the leadership of neo-classical economics, which is playing a powerful role in globalization today. The market must be free from government interference; it is the mechanism that will produce wealth. Third world countries must participate in this market which has now expanded to global proportions if they want to prosper. The breakdown of the communist centrally-planned economies has made this vision even more plausible, perhaps

⁴⁹ Corliss Lamont, *The Philosophy of Humanism*, 8th ed. (Amherst, N.Y.: Humanist Press, 1997), 309.

⁵⁰ Goudzwaard, *Capitalism and Progress*, 49.

beyond critique. This takes us into the 20th century but we must make a few observations on the 19th and early 20th century first.

The Nineteenth and Twentieth Century: Progress as Growing Material Prosperity

If the Enlightenment vision is true, if human beings truly are their own redeemers, if science, technology, a rational society, and a free market really are the keys to achieving material abundance which is the end of human life, then “the establishment of *new* social institutions is not a tedious, incidental task, but a dire necessity and a high ethical imperative. In that case, the narrow way to the lost paradise can only be the way of *social revolution*.”⁵¹ The revolutions of the 19th and 20th centuries—Industrial, French, American, Democratic, Marxist—sought to bring society into conformity with this Enlightenment faith.

The Industrial Revolution began to implement the Enlightenment economic vision of Adam Smith and the classical economists, developing science-based technology and the division and mechanization of labour. The market expands significantly and plays an increasingly important role in the newly emerging social order. The Industrial Revolution did much more, however, than reorganise economic production; it shaped a new society around economic life, the world of industrial capitalism. About this emerging social form, David Wells says “capitalism has successfully reorganized the social structure for the purposes of manufacturing, production, and consumption. It has concentrated populations into cities and produced massive systems of finance, banking, law, communications, and transportation. In short, it has changed the shape of our world . . .”⁵² It began to produce what the Enlightenment social visionaries were looking for: the market economy and industrial technology produced tremendous economic growth.

Confidence in progress toward material abundance and a growing economy through technological innovation and a free market hit its high point by the end of the 19th century. Morris Ginsberg tells us that the “culminating point in the history of the belief in progress was reached toward the end of the nineteenth century. . . . It owed its wide prevalence to the

⁵¹ Goudzwaard, *Capitalism and Progress*, 50-51.

⁵² Wells, *God in the Wasteland*, 8.

optimism inspired by the triumphs of applied science, made visible in the striking advances made in the technical conveniences of life.”⁵³

Yet the 20th century levelled some heavy body blows to confidence in progress, not least the destructive ideologies of the 1930s. Already before that in the early decades of the 20th century there were voices that began to disavow the utopian and paradisiacal versions of progress—the heavenly city of the eighteenth century philosophers as the goal of history.⁵⁴ Nevertheless, even while rejecting perfectionist and utopian interpretations, progress remained resilient in its socialist and liberal forms, and remained the working faith of western civilization. Lasch analyzes this interesting phenomenon. He suggests that “it is to Adam Smith and his immediate predecessors . . . that we should look for the inner meaning of progressive ideology.”⁵⁵ Indeed, it is his notion of progress as the promise of universal abundance based on a self-regulating economy that would endure throughout the twentieth-century. Lasch writes:

The concept of progress can be defended against intelligent criticism only by postulating an indefinite expansion of desires, a steady rise in the general standard of comfort, and the incorporation of the masses into the culture of abundance. It is only this form that the idea of progress has survived the rigors of the twentieth century. More extravagant versions of the progressive faith . . . collapsed a long time ago; but the liberal version has proven surprisingly resistant to the shocks to easy optimism administered in rapid succession by twentieth-century events.⁵⁶

This, says Lasch quoting Horace Kallen, was because capitalism had “raised the general standard of living, . . . transformed scarcity into abundance, awakening wants where none had been before, multiplying few into many, bringing more and more varied goods to more people at lower prices, so that what had formerly, if at all, available only to a few . . . was now in reach of many . . .” Perhaps Lasch’s next words offer insight into the

⁵³ Morris Ginsberg, *Essays in Sociology and Social Philosophy*, vol. 3: *Evolution and Progress* (London: William Heinemann Ltd., 1961), 8. Quoted in Goudzwaard, *Capitalism and Progress*, 81.

⁵⁴ Cf. title of Becker’s book. Cf. Lasch, *True and Only Heaven*, 40-41.

⁵⁵ Lasch, *True and Only Heaven*, 54.

⁵⁶ Lasch, *True and Only Heaven*, 78.

global spread of this worldview: “It remained only to complete the capitalist revolution by making the ‘blessings of leisure’ available to all.”⁵⁷

The Religious Beliefs Shaping Economic Globalization

A major component of globalization is the global expansion of this religious story. To ‘complete the capitalist revolution’ means making the blessings of our story available to all the peoples of the earth. The ‘capitalist revolution’ harbours some deep faith commitments: faith in progress, the goal of progress is increasing material abundance which will satisfy the deepest longings of humankind, material abundance comes through economic growth, economic growth is facilitated by innovative technology and a free market. Economic globalization is not just the creation of a global market but it also involves the cultural and religious beliefs that have created and shaped the market.

Economic globalization does involve the creation of a global market stimulated by relaxed trade barriers and rapid developments in information technology. It is facilitated by multi- and trans-national corporations along with the development of global capital. Peter Heslam claims that “contemporary globalization involves the increasing integration of national economies into a global market, made possible by the rise of communication and information technology, air travel, large multinational corporations and financial capital.”⁵⁸

In principle, the Christian community should not oppose a global market or expanding global trade. If the market is responsibly shaped to provide goods and services for human well-being, then widening the market could be source of good for more people. There are, however, deep distortions in economic globalization that threaten human (and non-human) well-being. It is not the global market as such, but the global market as it has been deeply distorted by the idolatrous beliefs of the broader humanist story that is producing growing poverty and ecological damage. One must distinguish *between* the creational potential of the process of globalization including the emergence of a global market *and* the way it has been twisted by idolatry. It is on this basis that the Christian community should be involved in the processes of globalization, seeking to seize the created potential and shape it in a healthy and life-giving way, while at the same time

⁵⁷ Lasch, *True and Only Heaven*, 78-79.

⁵⁸ Peter Heslam, *Globalization and the Good*, ed. Peter Heslam (Grand Rapids: Eerdmans, 2004), xviii.

struggling against the debilitating and death-dealing distortions.⁵⁹ The remainder of this paper will observe the way that two foundational beliefs—a deistic view of the market and an idolatrous commitment to economic growth—have shaped an unjust global market contributing to massive poverty.

Global Market Ideology and Exclusion

Lesslie Newbigin is correct when he says that “free markets are the best way of continuously balancing supply and demand,” but that in the “contemporary ideology of the free market . . . we have an example of something good being corrupted.”⁶⁰ Newbigin’s mention of ‘ideology’ reminds us that in the 1960s Daniel Bell proclaimed the end of ideology⁶¹ and that more recently Francis Fukuyama celebrated its demise as well.⁶² So to speak of the ideology of the free market, it is important to be clear what is meant.

Goudzwaard’s analysis of ideology in *Hope in Troubled Times* is insightful.⁶³ An ideology absolutises a *societal end* or goal. These goals are legitimate human needs that take on exaggerated importance because of a certain context. For example, Adam Smith and the classical economists lived in a time of hunger, misery, grinding poverty, and economic need. They preoccupied themselves with finding economic solutions to the deprivation that afflicted their contemporaries. This legitimate concern became the determining issue that dominated their economic theory. This need captured the imagination of western people and increasingly became the ultimate purpose around which they organised and structured their societal life. Indeed, long after human deprivation and hunger ceased to be a major problem in the West, the goal remains deeply imbedded in the direction of western society.

Moreover, an ideology selects certain *means or instruments* that will effectively enable society to reach that all-important end. An ideology’s advocates “recruit and invest certain social forces with significant new power, and these forces then serve as the essential tools used to

⁵⁹ Heslam’s edited volume mentioned in the preceding footnote proceeds in this way. Part 1 focuses on the *potentials* of globalization, part 2 a critique of the *distortions* of global capitalism, and in part 3 advocating practical ways to *reshape* the global economic process in a sustainable way.

⁶⁰ Newbigin, *Truth to Tell*, 76.

⁶¹ Daniel Bell, *The End of Ideology: On the Exhaustion of Political Ideas in the Fifties* (Glencoe, IL: Free Press, 1960).

⁶² Francis Fukuyama, *The End of Ideology and the Last Man* (Toronto: HarperCollins Canada, 1993).

⁶³ Goudzwaard et al., *Hope in Troubled Times*, 31-45.

achieve the prized objective.”⁶⁴ These social forces or institutions take on a messianic or idolatrous quality as they are invested with redemptive and liberating power because it is believed that they will effectively deliver the societal end for which humanity longs. In the case of classical economics technological innovation and the market are two of the primary means that would deliver the material abundance that had taken on such overriding significance for human life.

An ideology will seize control of an entire society, organizing and unifying it in pursuit of the goal. It will also redefine norms and standards, ascribing evil to whatever blocks the way to that end, and assigning good to whatever helps to achieve that goal. Goudzwaard suggests that these ideologies take the form of stories that fill the spiritual vacuum created by the Enlightenment.⁶⁵ The story of progress toward material abundance accomplished by economic growth brought about by a free market and innovative technology has taken on the role of a global ideology in our day.

The global market that is emerging as the instrument of global prosperity, however, is an unjust market that is not leading to the material abundance for all. In fact, it is impoverishing many leading to a growing gap between rich and poor. One of the reasons is precisely because the global market is being shaped by a deeper set of religious beliefs that twist it. Here I note at least two that have emerged in the western story. First, a deistic and mechanistic view of the market that calls for our blind submission hides the fact that the market is something that must be shaped in a responsible way. Second, a fundamental commitment to economic growth leads those with economic power to shape the market for their own economic advantage.

The global market today exercises such far-reaching power that all countries are now included in its dynamics. However, at the same time that they are included in the global market, they are systematically excluded from many of the fruits of economic life. A market is being shaped in unjust and inequitable ways that systemically marginalises the poorer countries and people of the world. The market is not a neutral machine but a human social construction in response to God’s normative call to stewardship that is being shaped in inequitable ways to maintain economic growth in the West. We can observe five different ways the poor countries are unfairly excluded by decisions and policies that shape the global market.

⁶⁴ Goudzwaard et al., *Hope in Troubled Times*, 39.

⁶⁵ Goudzwaard et al., *Hope in Troubled Times*, 36-38.

First, they are *excluded from capital*. One of the remarkable changes in the last few decades is the meteoric growth of the financial sector of the economy. The financial sector (buying and selling money, options, futures, etc.) was originally created to aid the real economy (actual selling of goods and services). However, its rapid growth—17% annually while the real economy grows only 3 %—has led to a situation where the financial sector now dominates and controls the real economy. Transactions in real goods fell from 90% in the early 1970s to less than 5% in the early 1990s!⁶⁶ The primary motivation that drives this burgeoning financial sector is fast short-term profit. This has serious repercussions for third world countries.⁶⁷ 1) Investment is concentrated in the wealthier countries. A disproportionate percentage of investment capital flows to the USA and Europe, and very little to the poorest countries of the world. For poor countries to attract capital they must pay higher interest rates. 2) Decisions about the flow of capital are not made on the basis of social usefulness and need, but rather on speculation as to where the fastest and biggest profit can be made. Large amounts of free-flowing currency can leave a country with the click of a computer key if a fraction higher return can be made elsewhere, and so poor countries must direct their economic policies, not for the needs of the population, but to keep precious little capital in their country. Even then third world countries are largely excluded from the capital necessary to participate equally in the global economy and share in its growing production.

Second, they are *excluded from currency*. The richer countries exercise control of the currencies that are used in international trade (the dollar, the euro, the pound, and the yen). Poorer countries who want to participate in the global market must borrow money from countries whose monetary unit is an accepted means of payment in order to purchase goods from other countries. They must pay interest just to secure the currencies they need to participate in the market. Clearly this puts these countries at a great disadvantage compared to those who do not need to borrow and pay interest.⁶⁸

Third, they are *excluded from decision-making power*. The levers of economic power in the global economy are controlled by the wealthier countries whose policies, not surprisingly, are

⁶⁶ Dieter Tober “One World—One Vision for Business”, in *Transition to a Global Society* (ed. Suheil Bushrai, Iraj Ayman, and Ervin Laszlo; Oxford: Oneworld Publications, 1993), 105.

⁶⁷ Goudzwaard, *Globalization and the Kingdom of God*, 23. This trend has enormous repercussions for the environment as corporations sideline sustainable environmental policies to make more profit which in turn will attract more capital. Both countries and companies must shape their policies to attract capital.

⁶⁸ Goudzwaard et al., *Hope in Troubled Times*, 151.

often self-serving. The International Monetary Fund (IMF) was formed to provide financial assistance for nations who could not make payments. The World Bank was founded to supply capital to poor countries. The policies of these institutions are controlled by wealthier countries who look after their own interests first. Poorer countries must acquiesce to the direction of these institutions if they are to receive money and participate in the global economy. To take one example: when poorer countries could not pay their debts at the end of the 1970s because of spiralling interest rates, the IMF and World Bank lent money, but for those loans required “structural adjustment”, a policy—still in place—that required these countries to expand exports and slow imports. The result: exports saturated the market, which drove prices down, and in turn increased their debt.⁶⁹

Fourth, they are *excluded from markets*. Even though the price for receiving money from western controlled banks was the opening of their markets to the West, the response has not been reciprocal. Even though the West has demanded that poorer countries take on a policy of exports to service their debt, those same western countries have continued to prevent entry of products from other parts of the world into their market through tariffs and other trade barriers. Joseph Stiglitz, former vice-president and chief economist of the World Bank refers to this as asymmetric globalization.

. . . free trade has not worked because we have not tried it: trade agreements of the past have been neither free nor fair. They have been asymmetric, opening up markets in the developing countries to goods from advanced industrial countries without full reciprocation. A host of subtle but effective trade barriers have been kept in place. This asymmetric globalization has put developing countries at a disadvantage. It has left them worse off than they would be with a truly free and fair trade regime.⁷⁰

One blatant example is that western nations have consistently refused to abandon their protection of domestic agriculture by offering subsidies, effectively preventing “free trade” between western and third world farmers. These subsidies make it difficult for African farmers,

⁶⁹ Leo Andringa and Bob Goudzwaard, *Globalization and Christian Hope: Economy in the Service of Life*, (Public Justice Resource Centre, 2003), 9-10.

⁷⁰ Joseph Stiglitz, *Making Globalization Work* (New York: Norton, 2006), 62.

for example, to compete in world markets. This is just one way that ‘free trade’ has been stifled by policies and structures in the global market. As Stiglitz says, “The United States and Europe have perfected the art of arguing for free trade while simultaneously working for trade agreements that protect themselves against imports from developing countries.”⁷¹

Fifth, they have been *excluded from scarcities*. A fundamental change has taken place in capitalism since the time of Adam Smith. Smith was concerned to distribute scarcities to meet existing needs. After all, when the rich had their needs for chairs met, say, increasing production would mean that goods would trickle down to the poor classes. However, sophisticated marketing tactics allied with incredibly powerful information technology attempt to influence consumer demand by artificially expanding the needs of those who can afford more. At a time when production could meet the basic needs of everyone, it is directed toward the artificially generated “needs” of the wealthy. Maurice Strong says

The response of our industrial machine is to expand its markets by creating new wants and new appetites amongst the people who can afford them. We are thus caught in a paradox in which we have created an industrial system capable of meeting the basic needs of all the world’s people but are in fact using it largely to foster further growth in the demand by the wealthy minority for goods and services well beyond what we need or is good for us.⁷²

Thus the scarce resources of the world are channelled toward the growing markets of the West that are artificially stimulated by powerful marketing techniques. There are only so many resources to go around and so their deployment to meeting the contrived needs of the wealthy mean they are at the same time directed away from the real needs of the poor.

These exclusions have led to rising debt among the poorer nations of the world. Much attention is given to the amount of aid money that goes from wealthier countries to the southern hemisphere. What escapes notice is that the net transfer of money moves to the north. That is, there is more money that moves from the south to the north to pay debts than the amount of money that flows to the south in aid. A growing percentage of resources from third world

⁷¹ Stiglitz, *Making Globalization Work*, 78-79.

⁷² Quoted in Gerald Vandezande, *Christians in the Crisis* (Toronto: Anglican Book Centre, 1984), 47.

countries are used to service their debt rather than to provide basic services like health and education which are so desperately needed. Africa has been hardest hit where in some countries the external debt is often much higher than the value of all their exports. Even when these poorer countries are attempting to be fiscally responsible—and certainly there has been much corruption and mismanagement in many of these third world countries which may even be the primary problem—the structures and policies of the global economy make it difficult to put a dent in the debt. These exclusions make it clear that all the participants in the global market are not equal partners; there simply is not a level playing field. And it has led to crippling debt and massive imbalances of wealth, in which the overfed live alongside the starving in the same world.

N.T. Wright speaks of the “massive economic imbalance of the world” as “the major task that faces us in our generation” and “the number one moral issue of our day.” With prophetic passion he goes on to denounce it with very strong words:

The present system of global debt is the real immoral scandal, the dirty little secret—or rather the dirty enormous secret—of glitzy, glossy Western capitalism. Whatever it takes, we must change this situation or stand condemned by subsequent history alongside those who supported slavery two centuries ago and those who supported the Nazis seventy years ago. It is that serious.⁷³

Yet all of this is not to demonise the global market as such or vilify economic growth or simply offer protest against the globalization process. A global market can be structured in a just and stewardly way, responsible and sustainable economic growth may be a legitimate part of cultural endeavour, and globalization has the potential to be an enriching development. Moreover, undoubtedly the newly created global market has delivered economic benefits to poorer countries. These inequities are pointed out to observe the way our fundamental beliefs about the world shape our global economic life together. Treating markets as autonomous mechanisms and absolutising economic growth have detrimental consequences. If Christians are to know where to direct their attention

⁷³ N. T. Wright, *Surprised by Hope: Rethinking Heaven, the Resurrection, and the Mission of the Church* (New York: HarperCollins Books, 2008), 216-217.

and effort in order to have a transforming impact for the good of all people and all creatures, we must know how, where, and why the distortion have come.

Conclusion

Joseph Stiglitz identifies six areas in which globalization needs to be reformed: the need to address poverty, the need for foreign aid and debt relief, the need to make trade fair and equitable, the need to recognise genuine limits in the ability of poorer countries to open their markets, the need to address the environmental crisis, and the need for a healthy and just system of global governance.⁷⁴ Each of these issues is certainly urgent but they will not be resolved apart from addressing the deepest beliefs that give shape to the social and economic systems producing these problems. Thus, the neglect of the religious and spiritual roots of economic globalization in the current literature is not just regrettable, it is downright irresponsible.

⁷⁴ Stiglitz, *Making Globalization Work*, 11.