

Rodney Wilson

***Economics, Ethics and Religion: Jewish,
Christian and Muslim Economic Thought***

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Reviewed by:

SYED NAWAB HAIDER NAQVI

Rector, Kausar University of Sciences, Islamabad.

Rodney Wilson's book aims to highlight the religious-ethical basis of economic actions through the kaleidoscope of "comparative religions perspectives on economics" (p. 21). The economic teachings of the three great religions in the Abrahamic tradition - namely, Judaism, Christianity, and Islam - are juxtaposed here in one volume to facilitate a fruitful inter-religious dialogue on common moral and economic concerns of a modern society. Wilson, "as a Christian who has participated in interfaith dialogue" (p. 2), was well-placed to write such a wide-ranging, well-researched work which seeks to unite, rather than divide, the 'peoples of the Book', a welcome news for those who would rather reject the dark forebodings of the "Clash of Civilizations". He draws freely on a large number of writings of 'authentic' exponents of the Judaic, Christian and Islamic points of view and compares, without being polemical, their competing but mostly complementary (if seen in the 'correct' historic sequence), positions on economic matters. Written in a racy, persuasive style, the book impresses the reader as a work of significant scholarship.

Although a wide field is traversed here, the narrative builds on the following fundamental propositions.

- (i) The economic activities of humankind cannot be divorced from the ethical position a person takes, and this is conditioned by the religion the person professes. The economic-ethical link is reviewed in the first chapter, a link now grudgingly accepted by the economics profession as *not* inconsistent with Western hedonist individualism. This is because even to attain self-interested objectives it is essential that everyone behaves *as if* from altruism. Wilson's main contribution lies in taking the debate one step further, to emphasize in the rest of the book the

ethical-religious influences on the behaviour of economic agents. He claims that "an understanding of religious teachings helps put ethical issues, including those involving economic relations, in a fuller perspective" (p. 1). Such a proposition would be hotly denied by mainstream economists, but that is more a question of one's beliefs than a matter of scientific argument.

- (ii) The only fruitful way to study economics in this "fuller perspective" is to derive basic economic propositions (or 'statements') from the first principles of religious ethics -- namely, those which are universally accepted by economic agents, who, in the present context, are Jews, Christians, and Muslims. This deductive method, according to Karl Popper, is the only valid method of creating knowledge. However, apart from methodological reasons, the relationship between economic behaviour and religious ethics needs to be highlighted because a voluntary acceptance of restrictions on one's freedom to support collective action and cooperative relationship requires an 'internalized' sense of social obligation, which all great religions have emphasized. Indeed, without strict adherence to shared religious virtues such as truth, mutual trust, observance of contractual obligations, etc., no economic system (especially capitalism) can work efficiently, let alone equitably. It is only when, in a fair game, the economic agents follow both the letter and the spirit of the rules that substantial economies in the costly information-gathering activities can be achieved to minimize the incidence of 'moral hazard' and 'fraud' in the marketplace.
- (iii) The state of development of an ethically and religiously motivated economics will be directly proportional to the extent to which the economic-ethical-religious connection is emphasized in the basic religious sources (The Torah, the Bible and the Quran, in the present context) and accepted by the followers of the religion. Wilson notes that "there is much more space in the *Koran* devoted to economic matters than in the Bible [and the Torah]" (p. 117); and mainly because of this, "the majority of Muslims today are aware of the basic tenets of the Muslim teachings on economic matters ----" (p. 115), and "---- even the less devout recognize that there is some substance in Islamic economics" (p. 116). In sharp contrast, the situation is very different in the Jewish and the Christian religious societies, which, for historical and social reasons, are totally committed to their secular mores, with an uncompromising insistence on the separation of economic and religious matters. It is, therefore, not surprising that "Western neo-classical economics makes little or no reference to biblical teachings" (p. 117). The same is true of a modern Jewish society (the State of Israel) where "little attention was paid to the teaching of the Torah on economic issues ----" (p. 56). It is, therefore, not surprising that, as compared with 'Christian economics' and 'Jewish economics', Islamic economics seems to stand at a 'higher' plane of development.

These propositions capture fairly adequately the flavour of this commendable work, which offers their detailed documentation and discussion, though, I am afraid, not much analysis. For a Muslim reader, it has an additional attraction: it can also be profitably seen as a contribution to Islamic economics. This probably is not Wilson's intention but, in my view, its worth will be even more readily recognized by the reader if the book is looked at from this rather 'narrower' point of view. Islamic economics would then appear as a high point in the evolution of religious thinking on economic matters since the Torah was revealed to Prophet Moses. In this respect, Wilson has much more to say than is available in the standard texts on the subject written by Muslim economists! I can cite at least five basic propositions to establish the worth of this book from this perspective.

- (i) The intimate connection between humankind's This-Worldly actions and the corresponding reward (punishment) of these actions in the Hereafter is emphasized by all three religions (See pp. 45-56 for Judaism, p. 76 for Christianity, and p. 116 for Islam). All three of them seek to redefine economic 'rationality' by informing economic activities with a sense of the sacred. According to this 'redefinition', economic agents should not be constrained in their day-to-day behaviour by myopic considerations of self-interest alone. Instead he/she should consider it in his/her own (enlightened) interest to recognize that a true (and a fuller) welfare maximization is achieved by an abandonment of the desire for transient things. Islam makes this redefinition even more explicit: "Whoever preserves himself from his own greed will be prosperous", (59:9); and "who giveth his wealth that he may grow in goodness." (92:18).
- (ii) The basic idea that all wealth belongs to God and that humankind is only a trustee of this wealth is common to all three religions. However, there are subtle differences in their positions with respect to the implications of this idea for economic behaviour. Thus, while the Jewish position is broadly egalitarian, it interprets Divine ownership as legitimizing the (existing) structure of property rights, even though the right to property in Judaism is not held to be absolute for either the individual or the tribe (p. 26). The Christian point of view is that people, though accountable before God for the way they use the resources at their disposal, have a wide discretion in using them to the best of their ability (p. 75). The Islamic position is to emphasize the concept of the 'relative' ownership of all wealth. Thus, "of that whereof He hath made you trustees" (57:7), the individual must spend with moderation and for the benefit of the society.
- (iii) Yet another common theme running through the three religious traditions is to highlight the responsibility of the rich to help the poor and the needy. Judaism emphasizes the individual's social obligation to help the poor (p. 28). Christianity urges the rich to help the poor, to whom belongs the Kingdom of God, without going as far as saying that the poor have a right on the wealth of the rich (pp. 70-74). The Islamic view, explained on pages 121-123 and at several other places in

Chapter 4, is to state clearly that the poor have a 'right' in the wealth of the rich: "And in whose wealth a due share is included for the needy and dispossessed" (70:24-25). Whence follows that the act of giving is not just charity; it is rather a means of restoring to the poor and the deprived what would have belonged to them if the society had been more justly organized. It is for this reason that not helping the poor, and not urging others to do the same, is tantamount to a denial of the Faith (Al-Quran 107:1-3).

- (iv) That large differences of income and wealth constitute a deviation from God's Design -- and must, therefore, be undone -- is also a theme emphasized, to some extent, by all three religions. Judaism seeks to do it by restoring the Divine Order (pp. 45-46); but, somewhat paradoxically, it also holds the view that even large differences of income and wealth do not necessarily depict "an unjust state of affairs" (p. 28). The Christians regard a "moderation in the distribution of wealth" (p. 88) as desirable and an essential precondition to recreating a 'natural order' (pp. 77-78); and yet, in the New Testament, the need for material equality, as opposed to spiritual equality, "is not a matter of much concern" (p. 73). The Islamic position, according to Wilson, is that income and wealth distribution in this world are not important issues as believers are promised so much more in the hereafter". (p. 173). I disagree with this interpretation. The fact is that Islam sees changing an unjust structure of private property rights as essential to achieving an economic system "so that it (wealth) does not concentrate in the hands of those who are rich among you" (59:7). True, as Wilson shows at length, there are differences of opinion between various Muslim economists about the *extent* of redistribution, but there is a virtual unanimity about the need to redistribute income and wealth if it is unjustly distributed to begin with, *because*, far from being a part of some natural order, an unjust economic structure is *zulm* (the antonym of *al adl*), is the negation of social equilibrium. This interpretation is consistent with Islam's social philosophy: while individual freedom (*Ikhtiyar*) is explicitly recognized, including the individual's right to private property, but it is duly balanced by a deep sense of social responsibility (*Fard*), with uncompromising firmness.
- (v) It is interesting to note the relative positions of the three gent religions on *riba* (interest, usury). While Christianity unequivocally condemns this practice and the institution (pp. 82-85), the same does not seem to be the case with Judaism, especially when the Jews are in a state of *diaspora* (pp. 33-36). Wilson attributes this position to the fact that "many of the leading bankers and financiers have been Jewish" (p. 52). The Islamic position is the most explicit on the abolition of *riba*, which is seen as one of the most 'visible' defining characteristics of an Islamic economic system (pp. 124-125) private property, business ethics, etc. I encourage students of comparative religions - and especially those of Islamic economics - to read it with great care. The extensive bibliography given at the

end of this well-produced book should be invaluable to those who wish to pursue the subject in more detail.