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The Order of Value

Christian Theology and the Market Economy

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Abstract
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This study explores the relationship between Christian theology and the market economy, with a particular focus on value theory. Its backdrop is the scholarly recognition of the historical intertwinement of Christian theology and secular society. I first theologically analyze the historical development of the subjective value theory that is central to the market economy. I begin with its origin in scholastic just price in medieval Europe and follow it through its secularization via the so-called "marginal revolution" that helped consolidate the discipline of economics. The analysis shows that the subjective value theory concerns cosmology.

I then analyze the expression of value as a theological-economic problem in contemporary theological texts. The method is a form of immanent critique, employed in a reading of four theological texts that criticize the market economy. I identify assumptions that are isomorphic to the subjective value theory, and discuss theological consequences of the isomorphisms between theology and the market economy. I conclude that "value" is a problematic concept in those texts.

Lastly, I analyze the concept of value. I show that the distinction between the metric meaning of "value" (a numerical quantity) and the normative meaning of "values" ("Christian values") is conceptually problematic. But those meanings are connected through what I call "the order of value": measuring value becomes a means of ordering the world. I show how this order of value plays out in relation to the Christian dogmatic structure and the market economy and discuss resulting problems. I argue that the theological study of value theory makes a theological critique of value possible.

Unravelling the theological significance of value theory is the main contribution of the present study, both to the interdisciplinary fields of political and economic theology, and to theology proper.

Keywords: Secularization, Post-Christian theology, Value theory, Just price, Marginalism, Christian subjectivity, Soteriology, Cosmology, Economic theology, Political theology

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To Anna Maria Simonsson
and Ulla Simonsson

Contents

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1 Introduction

In 2005, Alan Greenspan, then chair of the US Federal Reserve System, said of the global market: “one could hardly imagine that today’s awesome array of international transactions would produce the relative economic stability that we experience daily if they were not led by some international version of Smith’s invisible hand.”[1] The “Smith” to whom Greenspan referred is Adam Smith, the Scottish eighteenth-century philosopher and portal figure of modern economics. “The invisible hand” signifies how unintended common good comes out of individuals acting in their own interest in a market economy. In present-day economics, this idea is thoroughly secular. But in Smith’s time the concept was shorthand for a theological idea. “The invisible hand” referred to how an intelligent and benevolent creator had initially ordered things so that social processes would subsequently be self-balancing. Insofar as a process was guided by an invisible hand, it needed no political sovereigns to impose their arbitrary orders on people.[2]

Greenspan misjudged the stability of the global economy, at least with respect to financial markets—the pressure from the subprime mortgage crisis was building as he spoke. With hindsight it is easy to point out a dimension of unwarranted belief in Greenspan’s assessment,[3] which is seen even more

[1] Alan Greenspan, “Remarks from Chairman Alan Greenspan: Adam Smith,” at the Adam Smith Memorial Lecture, Kirkcaldy, Scotland, February 6, 2005, accessed July 30, 2021, https://www.federalreserve.gov/boarddocs/speeches/2005/20050206/default.htm.

[2] For a comprehensive introduction to the eighteenth-century notion of an invisible hand, see Lisa Hill, “Invisible Hand,” in *The Routledge Handbook of Economic Theology*, ed. Stefan Schwarzkopf (London and New York: Routledge, 2020), 314–21, https://doi-org.ezproxy.its.uu.se/10.4324/9781315267623.

[3] In his speech Greenspan acknowledges the phenomenon of “bubbles,” which means that markets do not invariably stabilize themselves. But that introduces some questions regarding how and when markets self-balance. I will come back to the theoretical model of self-balancing markets, the “general equilibrium theory,” in “2.4 Twentieth-Century Mainstream Economics.” My lack of economic expertise would make my judgment of Greenspan’s “unwarranted belief” unqualified if it were mine alone. But many experts, especially in hindsight, did recognize a systemic flaw. For example, the British Academy stated in an open letter to Queen Elizabeth II that the basic problem was that there was no systemic risk management, only assessments and interventions in particular “slices” of the economy. In the overall economy, all seemed well. “It was a cycle fuelled, in significant measure, not by virtue but by delusion.” They conclude: “So in summary, Your Majesty, the failure to foresee the timing, extent and severity of the crisis and to head it off, while it had many causes, was principally a failure of the collective imagination of many bright people, both in this country and internationally, to understand the risks to the system as a whole.” Tim Besley and Peter Hennessy, “The Global Financial Crisis—Why

clearly when we consider the theological heritage of the idea he advanced. However, in this study I will not equate economics with religion or argue that markets have come to function like deities. Instead, the distinction between religion and economics is the fundamental presupposition for the whole study. Given that presupposition, I intend to probe the relationship between a particular religion, Christianity, and a particular arrangement of production and distribution of resources, namely, the market economy.

Scholarly attention is increasingly being paid to the largely Christian theological context of eighteenth-century European economists, and to the influence that context had on critical theoretical constructs in today's mainstream economics. In the new but growing field of "economic theology," such theological contextualization of the history of economic thought and economic history is of key interest.[4] This study draws on those ongoing discussions. It also draws on critical and constructive theological reflections on economic issues. I will argue that Christian theology and the market economy share a common problem of value. I will interrogate the configurations of this theological-economic problem in different historical contexts, and argue that this problem of value sits at the heart of the notion of a self-balancing market that Greenspan believed in.

What is meant by "Christian theology" and "the market economy" in this study? Given the manifold potential associations attached to them, their extension in time and space, and their respective internal diversity, any attempt to define those terms must be considered arbitrary. However, some provisional delimitations will clarify the task at hand. "Christian theology" as my object of study means intellectual articulations related to the Christian faith and its sources, primarily from the Western branch of Christianity.[5] In that sense, I take a top-down perspective on Christian theology: I do not focus on lived religion or the spirituality of lay people, but on different expressions of the

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Didn't Anybody Notice?", British Academy Review, 14, November 2009, https://www.thebritishacademy.ac.uk/publishing/review/14/british-academy-review-global-financial-crisis-why-didnt-anybody-notice/.

[4] The number of books and articles with "economic theology" in the title has increased rapidly over the last couple of years. For an introduction to the field and the analytical apparatus, see Mitchell Dean, "What is Economic Theology? A New Governmental-Political Paradigm?", *Theory, Culture and Society* 36, no. 3 (2019): 3–26, https://doi.org/10.1177/0263276418787622. See also the already cited handbook of economic theology: Schwarzkopf, *The Routledge Handbook of Economic Theology*. The handbook includes an overview of the historical development and methods of economic theology, and a wide range of examples of economic-theological analyses.

[5] The focus on Western branches of Christianity is tied to the focus on the market economy. As I will discuss more closely in chapter two, the notion of the market as a mechanism ordering production and distribution originated in the European context largely dominated by Westerns forms of Christianity.

teaching of the Christian faith. Two examples would be theological conceptions of original sin and salvation. I will focus on the problematics and themes that have remained central in the history of Christian theological reflection.[6]

Now to my second object of study: the market economy. In the widely used textbook *Economics* by economists Paul Samuelson and William Nordhaus, the market economy is defined as such:

> A market economy is one in which individuals and private firms make the major decisions about production and consumption. A system of prices, of markets, of profits and losses, of incentives and rewards determines *what* [is produced], *how*, and *for whom*.[7]

This stands in contrast to a command economy, in which a government makes all such decisions. Samuelson and Nordhaus then contend that no contemporary economy fits either of these two definitions: "Rather, all societies are mixed economies, with elements of market and command."[8] But importantly: "Today most decisions in the United States and other high-income economies are made in the marketplace."[9]

However, care must be taken already at this initial definition. As marketing historian Stefan Schwarzkopf points out, concrete market-places and trading practices have existed for thousands of years, but the notion of the market as an overall organizing principle for large swathes of society is a modern phenomenon: "Evidently, thus, at some stage the market turned from a designated space into a more general signifier of human interaction, a social ordering mechanism, and even a form of power."[10] Schwarzkopf's comment helps me to qualify what I intend with the phrase "the market economy," which is precisely the idea of the market as a social ordering mechanism. I am interested in the ideas behind the notion of a system that consists of prices and markets which govern human behavior through incentives and rewards, determining what is produced, how, and for whom. As with "Christian theology," central concepts and problem areas will be my focus.

1.1 Specifying the Agenda

The main task of this study is to analyze the relationship between Christian theology and the market economy in terms of common structures of thought

[6] This initial definition goes for Christian theology as my object of study. I will outline the theological perspective of this study in section "1.2 Theory and Method."
[7] Paul A. Samuelson and William D. Nordhaus, *Economics*, 19. ed. International ed. (Boston, MA: McGraw-Hill/Irwin, 2010), 8. Italics in the original.
[8] Samuelson and Nordhaus, *Economics*, 8.
[9] Samuelson and Nordhaus, *Economics*, 8.
[10] Stefan Schwarzkopf, "Markets and Marketization," in Schwarzkopf, *The Routledge Handbook of Economic Theology*, 168.

with a particular focus on value theory. This task involves three analytical and argumentative steps.

The first step, carried out in chapter two, is to perform a theological analysis of the historical developments of a supply-and-demand theory of value, and to argue that it was originally a shared theological and economic conceptual complex.

The second step, carried out in chapters three through six, is to analyze the expressions of this conceptual complex in contemporary theological texts that engage the market economy. I will identify central isomorphisms in value theory between the market economy and these contemporary theological texts and analyze the theological implications of them.

The third step, carried out in chapter seven, is to analyze the concept of value against the backdrop of the previous two steps. I will reflect on the theological significance of value theory and point out how this identification of value as a theological problem can pave the way toward a more sustained theological self-critique and critique of the market economy.

1.2 Theory and Method

We commonly understand a secular society as one in which religion is separate from the public sphere of politics and economy. This quotidian understanding of secular society can be complicated by recourse to two related and ongoing discussions, which are both vital points of reference to the present endeavor: first, the discussions spawned by the recognition that historically speaking, Western societies were largely Christian, a circumstance which may still be critical to understand the secular present; and second, the corresponding understanding of the West as post-Christian.[11] The question of how to decode the secularization process and historical Christendom's bearing on the present has deep historical roots and has produced different arguments and studies.[12] The purpose here is not to give a full overview of such research or

[11] These broad characteristics can be problematized in several ways. In this context, I simply wish to make the general point that those lively discussions point to a historical intertwinement between Christianity and Western secular forms of rule and social order. The characteristics should be understood in relation to my focus on the market economy, which as defined above originated in the European context largely dominated by Westerns forms of Christianity—a history to which I will turn in chapter two. My use of the potentially polyvalent and contested terms "the West" and "secular" are thus related to the agenda of this study.

[12] For a formative debate, see Karl Löwith, *Meaning in History: The Theological Implications of the Philosophy of History* (Chicago: University of Chicago Press, 1949), and Hans Blumenberg, *The Legitimacy of the Modern Age*, trans. Robert M. Wallace (Cambridge, MA: MIT Press, 1983 [1966]). As the titles indicate, Löwith argued for the notion of a progressing history to be a biblical trait that became secularized, whereas Blumenberg defended the idea of the modern age, including the idea of progress, as something decidedly new, with its own legitimation grounds. For a contemporary influential example of an overarching thesis about Western secularization being shaped by its religious past, see Charles Taylor, *A Secular Age* (Cambridge,

to summarize the discussions, but to indicate them as the backdrop for formulating a theoretical perspective. I draw on discussions in the interdisciplinary field of economic theology, and the related field of political theology in the strain of Carl Schmitt.[13] Accounts abound of what secularization means for contemporary Western society. But the common assumption of the contesting interpretations is that the different political and economic structures of the West have undergone a secularization process. This fundamental condition indicates that the political and economic structures cannot be fully understood without reference to their Christian history, whether this history is conceived in terms of continuity or transformation.

The secular West in that sense is post-Christian. Swedish theologian Mattias Martinson has argued that this condition has opened up new venues for academic theology. Martinson argues that when one understands "Christian theological language as a 'constitutive' language for a large section of contemporary culture and society," academic theology "becomes one of the cultural 'sciences'. . ."[14] Martinson's understanding of theology's analytical potential in relation to secular society fits well in the broader discussions of the implications of secularization in the West. However, I direct the post-Christian gaze against both theology and the secular: I will theologically analyze both the gradual secularization of an economic value theory, and Christian theological approaches to our economic system. At the conclusion, I will outline what the results of this double undertaking means for the post-Christian perspective as well as for contemporary academic theology more generally.[15]

MA.: Belknap Press of Harvard University Press, 2007). For a theological study undertaken in the spirit of Löwith and with bearing on subsequent developments in political and economic theology, see Jayne Svenungsson, *Divining History: Prophetism, Messianism and the Development of the Spirit*, trans. Stephen Donovan (New York: Berhahn books, 2016 [2014]).

[13] For a discussion of economic theology in relation to political theology as fields of study, see Dean, "What is Economic Theology?"

[14] Mattias Martinson, "Silence, Rupture, Theology: Towards a Post-Christian Interdisciplinarity," in *Literature and Theology: New Interdisciplinary Spaces*, ed. Heather Walton (Burlington, VT: Ashgate, 2011), 78. This theoretical and methodological perspective is extensively elaborated in Martinson's previous book, *Postkristen teologi: Experiment och tydningsförsök* (Göteborg: Glänta produktion, 2007). For another example of the concept of post-Christian theology in a similar vein, but with a stronger focus on theological self-critique and self-insight, see the concluding discussion in Petra Carlsson Redell, *Mysticism as Revolt: Foucault, Deleuze and Theology Beyond Representation* (Aurora, CO: The Davies Group, Publishers, 2014). Note that by the term "post-Christian theology" I do not intend a new form for thinking about spirituality "after Christianity," as for example Lisa Isherwood and Kathleen McPhillips, eds., *Post-Christian Feminisms: A Critical Approach* (Burlington, VT: Ashgate, 2008). Rather than mobilizing the historical processes of secularization for a normative post-Christian project, my intention is to signal the particular analytical potential that academic theology has due to the historical influence of the Christian heritage in secularized Western society.

[15] A related and important strain of thought describes our present situation as "post-secular." Such a term is warranted in at least two ways: the rise of religion's visibility in public spaces in the West, and the theoretical rediscovery of the significance of religion in many fields. See e.g. Hent de Vries and Lawrence E. Sullivan, eds., *Political Theologies: Public Religions in a Post-Secular World* (New York: Fordham University Press, 2006). In Sweden, sometimes called the world's most secular country, such analyses take on a critical edge. The return of

This theoretical perspective is visible in the architecture of the present study. I take as my point of departure the historical situation prior to the separation of the discipline of economics and theology. Beginning with medieval just price doctrine, I trace the nucleus of a value theory, passed on via Adam Smith and the birth of the science of economics, up to our present-day notion of the market economy. Next, I turn to more detailed analyses of contemporary theological texts and argue that there are isomorphisms regarding value between those theological accounts and the central tenets of the market economy. In the third step, I isolate and formalize the conceptual complex of value that binds the different analyses together, and mark out the direction for further theological reflection. In this way, I analyze value as a shared theological and economic problem by means of different steps, that together form the book's argumentative structure.

The different steps of this structure employ different methods. The first part's method consists of a theological analysis of important developments in a value theory central to the market economy, often called the subjective value theory. I am not doing the historical research myself, but I identify and discuss hitherto underexplored but important theological motifs and shifts in this intellectual history. My procedure is inspired by theologian Thomas Ekstrand's method of theological analysis of historical texts.[16] The aim of this analysis is not to give a full account of the history of economic thought, but to trace the historical development of a particular problematic to get a deeper understanding of it: the problem of value. Nevertheless, my analysis of theological conceptuality and content in the intellectual history of the subjective value theory will enable me to detect and discuss underexposed historical continuities and discontinuities.

Next, I will do close readings of four contemporary theological texts that address the market economy. I call my specific methodological form of close

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political theologies has been discussed as a post-secular condition, implying a rediscovery of modernity's religious roots, in Ola Sigurdson, *Det postsekulära tillståndet: religion, modernitet, politik* (Göteborg: Glänta produktion, 2009). For a work in the same vein with a more existential focus, see Bengt Kristensson Uggla's exploration of different interpretations of living in a post-secular society in *Katedralens hemlighet: sekularisering och religiös övertygelse* (Skellefteå: Artos, 2015). However, "post-secular" signals a meta-perspective on the relation between religion and secularity, whereas I focus on the more specific relation between Christian theology and market economy. The theoretical perspective of the present study is more directly informed by research that specifically engage the historical connection between Christian tradition and the secular, and the particular analytical potential of academic theology in that historical context.

[16] Ekstrand develops a methodological reflection on the difference between an intellectual history approach to a text, and a philosophical or theological approach. If the aim of the former is to make visible historical connections and developments, to illuminate texts with their historical circumstances and intellectual milieux's, the aim of the latter form of engagement is to incorporate such knowledge produced by historians into a dialogue with historical texts; "to think with the past." Thomas Ekstrand, "Att tänka med det förflutna," in Mikael Stenmark, Karin Johannesson, Francis Jonbäck and Ulf Zackariasson (eds), *Filosofiska metoder i praktiken* (Uppsala: Uppsala Universitet, 2018), 85–101.

reading "micrological." The term comes from Theodor Adorno, and I see my micrological method as standing in continuity with the critical theory of the Frankfurt school.[17] Micrology is not an established method per se, but the principle is not difficult to grasp. Micrology privileges paying attention to details and using them as points of entry to problems or structures of thought, instead of beginning by painting broad pictures. This privileging of details has two sides to it. First, in the analyses in chapters three through six, I do not try to get a general grasp of contemporary Christian theology. Instead, I analyze four books that in different ways allow the problem of value to come into focus as simultaneously economic and theological in nature. Second, in analyzing these four books, I will not proceed by the common philosophical method of analyzing the overall argument and form a hermeneutical whole, "a thesis." Instead, I will pay attention to aporias of the texts in relation to value, unpack such aporias, and examine how they interact with different theological and economic themes. My micrological method is thus a form of reading against the grain and an immanent critique in the strictest sense.

The micrological principle may be further illuminated by turning to Devin Singh's monograph *Divine Currency*.[18] In relation to studies of the theological genealogy of governmental forms in the West by Giorgio Agamben and Michel Foucault, Singh explores the relationship between early Christian doctrinal development and coinage in the Roman Empire. He analyzes patristic texts in light of available historical information about ancient numismatic practices and the rhetoric surrounding the use of money. In his introduction to *Divine Currency*, Singh registers his surprise at the wealth of evidence of interactions:

> I was spurred on by the striking language of money and value operative in Christian discourse—ascriptions of worth and treasure to Christ, for instance, not to mention the thoroughly economic terminology of "redemption" [. . .]. [. . .] In an effort to initiate a much larger conversation that needs to take place about the long-standing relations between religion and the economy, my study

[17] Raymond Geuss writes that "the idea that what Adorno calls 'micrology,' the study of the seemingly trivial details of life, could be of great philosophical significance is one he took over from his two older colleagues Ernst Bloch and Walter Benjamin." Raymond Geuss, "Adorno's Gaps," *Arion: A Journal of Humanities and the Classics* 12, no. 2 (2004): 163. The rationale of this position for Adorno, Geuss explains, was anchored in a broader critique of Enlightenment forms of reasoning. Micrology was a part of the search for plausible forms of argument other than the traditional philosophical way of logical irrefutability. Note that while Adorno used the term "micrology" to denote what Geuss calls "the seemingly trivial details of life," I analyze texts.

[18] Without using the concept of micrology or elaborating on his method in this direction, Singh nevertheless understands his work to "pursue both the immanent critique of theology and theology as immanent critique"—with a footnote reference to Theodor Adorno. Devin Singh, *Divine Currency: The Theological Power of Money in the West* (Stanford, CA: Stanford University Press, 2018), 10.

> makes broad conceptual claims while taking a few historical snapshots of the relationship in question.[19]

The methodological principle of Singh's work is tangible in this quotation. Singh focuses on details rather than on trying to build his case with the sheer amount of his evidence, and is thereby able to unlock theologically complex problems. My methodological principle is similar. In chapters three through six, I will focus on four theological texts, and work my way from details found in them to find the more complex thought structures in which they are lodged.

Singh shows that the church fathers used economic metaphors in their constructive theologies to such a degree that this initial formulation of Christian core doctrines must be described as fundamentally attuned to the Roman monetary economy. When the empire became Christian, that monetary-attuned theology in turn legitimated and influenced the political and economic sphere. Grasping this dialectical relationship, Singh argues, is crucial to understanding economics and politics in the West. In his words:

> Revealing the links between money and theology from these beginnings of formal Christian theological expression demonstrates that money cannot be dismissed as a corrupting influence on such ideas but is a critical structuring principle in theological thought. In turn, theological discourse eventually comes to play a determinative role in politics and economic administration in Christendom [. . .].[20]

Singh supports that argument with close readings of the church fathers in question, comparing their use of economic metaphors to the contemporary use of coins, debt-relations, and so on. One example that continues to be of theological relevance today is the patristic notion of God's salvation as a form of redemption with Christ as the mediating coin. "Redemption" denotes a specific kind of economic transaction which continues to structure theological thought, even though the concept is often perceived as a thoroughly theological term by present-day Christians. Here, we see another motivation for the presence of Singh's study in my methodological framework: namely, the focus on structuring principles in thought. I will explore how the dialectical relationship between Christian theology and the market economy structures the conceptuality of value in both.

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[19] Singh, *Divine Currency*, 6–7.

[20] Singh, *Divine Currency*, 3. However, the term "money" may invite undue anachronisms on behalf of the reader, as evidence points to the Roman Empire's money being somewhat different from present-day money. This has to do with the hard-to-define and contested nature of money. For an overview of theoretical perspectives on money, see Geoffrey Ingham, ed., *Concepts of Money: Interdisciplinary Perspectives from Economics, Sociology and Political Science* (Cheltenham, UK: Edward Elgar, 2005).

1.2.1 Analytical Concepts

It is time to define the analytical concepts of the present study. I will analyze the relationship between Christian theology and the market economy in terms of "structures of thought." By "structures of thought," I mean interacting principles which shape arguments and conceptions of reality; the conglomerate of related ideas that form a conceptual edifice. In Christian theology the principal and functionally related definitions of divinity and creation, with God as infinite and perfect and the human as finite and imperfect, may be employed to interpret different aspects of divine and human life—such as raising and attempting to answer the problem of theodicy. In the conception of the market economy, the economic agent is assumed to be rational, utility-maximizing, and acting independently, which in turn relates to the understanding of the market mechanism. As an illustration, I quote the sentence that precedes Greenspan's reference to Smith that introduced this book: "Indeed, without the presumption of rational self-interest, the supply and demand curves of classical economics might not intersect, eliminating the possibility of market-determined prices."[21]

I am not claiming that all Christian theology will contain such functionally related definitions, nor that all economic theory will be based on the same anthropological premises. These ideas are contested in their respective settings. Nonetheless, they are contested precisely because they are common and important in their respective settings, and they interact in significant ways in the historical development of value theory. A structure of thought can be said to be a critical part of a school of thought or tradition, but that does not mean it forms an exhaustive description of the school of thought or tradition. The definitions of Christian theology and the market economy that I postulated are analytically geared to focus on the premises of value theory, and to delineate the theological and economic implications of value theory.

I will look for isomorphisms of value in structures of thought between Christian theology and the market economy in my synchronic analysis of contemporary theological texts. "Isomorph" has the literal meaning of "same form." "Isomorph" has a precise mathematical definition too, but I will use the term in its literal sense. "Isomorph" means that two arguments with different content can have a similar or identical shape. The roundness of a soccer ball and the roundness of a drinking glass when seen from above are isomorphic to one another. If the ball were a theological argument about what is truly valuable in human life, and the glass was an economic argument about supply and demand in competitive markets, my focus would be on whether or not they share a structuring form—the roundness. In this case, they might both be premised on an isomorphic anthropological assumption: rational freedom of

[21] Greenspan, "Adam Smith".

choice. That does not mean that they fill this structure with the same anthropological content. When two things share an isomorphic aspect, roundness, it does not mean they necessarily share a full structural identity. The ball is a sphere—the glass is not. If one changed one's perspective, one might not even continue to see the likeness in shape. To return to Singh's study: if redemption is described in terms of Christ as coin, then the rules of economic transaction will, to a degree, structure theological thought about salvation. But that does not mean that theological conceptions of redemption are reducible to a simple formula of market exchange.

I will focus on the role of subjectively perceived value in the currently dominant value theory in mainstream economics. I will interchangeably use "valuation" and "evaluation," and sometimes also "assessment," "estimate," and so on. These terms are not technically distinguished in this study, because in relation to the subjective value theory such nuances are not significant. What matters is the capacity and necessity to rationally rank options in situations of scarcity. In chapter seven I conduct a stricter conceptual analysis of value, where it will become clear that value in terms of thought structures encapsulates these different terms.

1.2.2 Focal Points and Selective Criteria

The problem of value has been my concern in choosing what texts, authors, and schools of thought I study. However, this criterion is geared in different directions to the first and the second analytical step. In the first step of the study, an analysis of influential ideas and schools of thought regarding value theory is required. The selection is straightforward: I follow the lead of historians of economic thought and intellectual history. I begin in scholastic just price theory because historical research has found the first formulations of value theory in that context.[22] I then explore two focal points in subsequent developments: first, I focus on authors and developments constitutive to the conception of the market economy in twentieth-century mainstream economics; and second, I focus on how those crucial formulations of value theory were also theological.

The second step of the study concerns residual expressions of a theological-economic problem complex that dates to earlier formative periods. The supply-and-demand theory of value central to the market economy understands value to be a measure of subjectively perceived utility, or demand, in relation to scarcity, or supply, on a socially aggregate level. The results from the theological analysis of the historical development of this theory informs my selection criteria for contemporary theological texts. I will analyze theological

[22] See Odd Langholm, "Olivi to Hutcheson: Tracing an Early Tradition in Value Theory," *Journal of the History of Economic Thought* 31, no. 2 (2009): 131–41, https://doi.org/10.1017/S1053837209090154.

texts that reflect aspects of the central dimensions of value theory in different ways. Criteria such as the influence and reception of these texts are irrelevant to me. What the four texts have in common is that they are theological, engage economic matters, and were published in the first years of the third millennium AD. The authors make use of resources from the Christian tradition to criticize the current economic organization in one way or another, and they all do so in ways that highlight the problem of value. The books are William Cavanaugh's *Being Consumed*,[23] Stephen Long's *Divine Economy*,[24] Albino Barrera's *God and the Evil of Scarcity*,[25] and Philip Goodchild's *Theology of Money*.[26]

I opted for texts that were published between 2000 and 2008: I want contemporary texts, but ones that were written before the recent disturbances in the hegemonic position of the market as the prime vehicle for social organization. I started by citing Alan Greenspan's expression of faith in the invisible hand. With hindsight we know that the invisible hand was not performing well. Yet Greenspan was hardly alone—while there were worried voices, the economic expertise mainly agreed with him, and politicians were, as the British Academy put it in their open letter to Queen Elizabeth II, "charmed by the market."[27] After this largely unforeseen crisis and its absence of an invisible hand, further threats have destabilized the market's charm: the climate crisis and the concomitant mass extinction of species require political agency and legislation as much as they might require market forces; and the SARS-CoV-2 pandemic has made it clear that political sovereignty can and will interfere in the economic sector to a degree few would have imagined only a decade ago. It is likely the way we think about how to order processes of production and distribution will change. That is not to say that the theoretical construct that undergirds the idea of self-balancing markets will cease to be important. But the spell of the market is, if not broken, then shaken. To make my point: Greenspan's speech is in its essence a narrative of how the dynamic ordering function of self-balancing markets has been repeatedly contested ever since Smith's time. Greenspan's belief in the invisible hand's guidance was his endpoint to this history of contestation: after the fall of the Berlin Wall, the prospect of a real alternative waned, and "[t]here was no eulogy for central planning; it just ceased to be mentioned, leaving the principles of Adam Smith and his followers, revised only in the details, as the seemingly sole remaining effective paradigm for economic organization."[28]

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[23] William T. Cavanaugh, *Being Consumed: Economics and Christian Desire* (Grand Rapids, MI: William B. Eerdmans Pub. Co., 2008).
[24] Stephen D. Long, *Divine Economy: Theology and the Market* (London and New York: Routledge, 2000), ProQuest Ebook Central.
[25] Albino Barrera, *God and the Evil of Scarcity: Moral Foundations of Economic Agency* (Notre Dame, IN: University of Notre Dame Press, 2005).
[26] Philip Goodchild, *Theology of Money* (Durham, NC & London: Duke University Press, 2009 [2007])
[27] Besley and Hennessy, "The Global Financial Crisis."
[28] Greenspan, "Adam Smith."

The historical context in which my synchronic analysis will play out is the first years of this millennium—I want to capture that sense of "the market" in its prime as was reflected in Greenspan's speech. The theological texts that I will analyze were critical of how the market worked and were looking for signs that things were not running smoothly for that invisible hand. Yet, they also mirror central tenets of the market economy in their notion of value and evaluations. The different ways they do so will prove fruitful to understanding this value theory's theological connections and implications. Importantly, I am interested in different aspects in each micrological analysis. The argument is cumulative: the findings in one analysis will be part of the motivation for the selection of the following text, and so on. The full rationale for the selection of each and every text can only be seen in retrospect. In this context, I can only point to some main areas of interest.

To unearth the often non-explicit assumptions about value in these texts, I will perform an immanent critique of them, according to the method described above. My primary concern in analyzing these texts is not to build a critique of the individual authors of the texts. The micrological analyses concern texts, not authorships. It is a method used to discuss a shared theological-economic problem with deep roots in history that go beyond individual authors. I will analyze one text at a time. The close readings of these texts function as case studies, and different themes will be developed in relation to the different texts.

I begin and end each micrological analysis with sections that connect it to the study as a whole. The introductory section of each reading gives a presentation of each book and a comment on what its characteristics entail for my analysis. The concluding section summarizes the results of the analysis of that book and relates it to what has already been found in the larger study. These sections form important bridges between the different chapters.

I will now briefly introduce the theologians whose works I will subject to micrological analysis and indicate how the respective text will help me discuss different aspects of the problem of value. First is William Cavanaugh's *Being Consumed*. Cavanaugh, a Roman Catholic theologian and former student of Stanley Hauerwas, is often described as a postliberal thinker. *Being Consumed* is fully devoted to economic matters, but he has engaged economic theory and practice elsewhere, including in his doctoral thesis, which was later published as *Torture and Eucharist*.[29] In these books and elsewhere, he continuously problematizes violence, poverty, and oppression with theological tools. *Being*

[29] William T. Cavanaugh, *Torture and Eucharist: Theology, Politics, and the Body of Christ* (Oxford: Blackwell Publishing, 1998). This book examines the military dictatorship in Chile with a focus on its systematic use of torture and abductions and the Catholic Church's response, in terms of a theological understanding of social bodies. Economics is involved because the government of Chilean dictator Augusto Pinochet drew on Milton Friedman and the Chicago School's economic thought, and Cavanaugh argues that this economic policy contributed to the intentional disruption of social bodies in Chile.

Consumed is a short book in which Cavanaugh light-handedly pinpoints crucial economic issues while drawing on influential economists and theologians. Cavanaugh's book provides the first point of entry to the ordering function of subjective evaluations on a market, and the attached theological problems in terms of subjectivity.

Second, I turn to Methodist and ethicist Stephen Long's *Divine Economy*. Long's work belongs to the theological school called Radical Orthodoxy.[30] That means he draws on a notion of the secularization of the West that understands modernity to be a secular sphere within the Christian tradition. In this view, secular society and theory are considered heretical more than they are seen as neutral in relation to religion. That perspective entails a return to premodern theological tropes, such as virtue ethics, and sources—not least Thomas Aquinas.[31] I selected *Divine Economy* for micrological analysis because Long highlights value as a problematic concept in two ways. He criticizes modernity's fact-value distinction, and he criticizes the central role of the evaluating subject in modern society.

Third, I will analyze Albino Barrera's *God and the Evil of Scarcity*. Barrera is a Catholic priest who did his PhD in economics. His work on the historical and contemporary intersections of economics and Christian theology often posits ethics to be the common ground to the two disciplines.[32] Barrera's concern with the distribution of resources and the devastating consequences of poverty is a main theme in his work. As visible in the title, *God and the Evil of Scarcity* is a theodicy. Barrera's book will allow me to study value theory as a way to understand and remedy evil and suffering.

Fourth, I will scrutinize Philip Goodchild's *Theology of Money*. While starting out his career writing about the relationship between continental philosophy and religion, Goodchild's work increasingly turned toward economic issues and is now situated within the field of economic theology.[33] In *Theology of Money*, the influences from critical theory and continental philosophy are

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[30] This is also true of a later book on the subject, which while being co-authored is mainly the work of Long: Stephen D. Long, Nancy Ruth Fox, and Tripp York, *Calculated Futures: Theology, Ethics, and Economics* (Waco, TX: Baylor University Press, 2007).

[31] Visible in *Divine Economy*, but also in his later non-economic work *The Perfectly Simple Triune God: Aquinas and His Legacy* (Minneapolis, MN: Fortress Press, 2016).

[32] A few examples out of Barrera's production are: "The Evolution of Social Ethics: Using Economic History to Understand Economic Ethics," *Journal of Religious Ethics* 27, no. 2 (1999): 285–304, http://www.jstor.org/stable/40018231; "Social Principles as a Framework for Ethical Analysis (with an Application to the Tobin Tax)," Journal of Business Ethics 23, no. 4 (2000): 377–88, https://doi.org/10.1023/A:1006089124403; *Biblical Economic Ethics: Sacred Scripture's Teaching on Economic Life* (Lanham, MD and Plymouth, MA: Lexington Books, 2013).

[33] Thus the following contribution: Philip Goodchild, "Debt and Credit," in Schwarzkopf, *The Routledge Handbook of Economic Theology*, 99–106. Goodchild has written a three-volume work in this area: *Credit and Faith* (London and New York: Rowman & Littlefield International, 2019); *Economic Theology*, Credit and Faith II (London and New York: Rowman & Littlefield International, 2020); *The Metaphysics of Trust,* Credit and Faith III (London and New York: Rowman & Littlefield International, 2021).

tangible. Goodchild's book will provide me with an entry point to the intersecting forces in the institution of modern money. Through his analysis, political dimensions of the economy, as well as political-theological tropes, will come to the fore.

1.3 Previous Research

There is a standard narrative to the birth of modern economics. The history is usually depicted like this: first came the classical economists, starting with Smith and his *Wealth of Nations*. Then came a line of thinkers, such as David Ricardo, Thomas Robert Malthus, John Stuart Mill and Karl Marx, whom all shared with Smith a common view of value as mainly based on production input. This could be called a substance notion of value, or a labor theory of value. Then the marginalists came and revolutionized economic theory, most famously Stanley Jevons, Karl Menger, and Léon Walras. These three men, independent of one another, turned the question of value on its head. They did so by beginning with the question how much things are worth to people, or what one would be willing to pay for something. Their different contributions congealed into a framework called neoclassical economics that still forms a large part of the basis of mainstream economics.

That standard narrative has been questioned from many perspectives, as happens to all such narratives. Some of those critical perspectives will be thoroughly discussed in chapter two. One of those perspectives, economic theology, is one of the main research fields on which I draw. One impetus in economic theology is to push back in time to economic-theological considerations that may have preceded Smith's *Wealth of Nations*. Another impetus is to look sideways to what theological sources may have influenced modern economic theory and practice. The term "economic theology" is not new, but its use as a shorthand for a field of research is recent. As it circulates, a certain polyvalence to the term has become visible, due to its contested history.[34] I use the term as a shorthand for a diverse and interdisciplinary field which interprets theology and economics as having been drawn into a complex secularization process.

Economic theology is a subfield belonging to the broader discussions of how the Christian history of the West has influenced forms of rule in a secularized society. This broader context indicates its close relation to both the political-theological discussions after Carl Schmitt, and to the field of governmentality studies that Michel Foucault inspired with his genealogical examinations. Giorgio Agamben brought these two strands together in *The Kingdom*

[34] For an overview of the historical use of the term, see Stefan Schwarzkopf, "An introduction to Economic Theology," in Schwarzkopf, *The Routledge Handbook of Economic Theology*, 1–15.

and the Glory, in which he locates forms of governance within the economy. Agamben claims that both economic theology, concerning forms of immanent self-organizations, and political theology, concerning the problem of sovereignty as a transcendent dimension, are paradigms inherited from the Christian tradition.[35] These paradigms are secularized, which for Agamben means that they remain theologically determined.[36]

Agamben does not engage value theory. Yet there is a tangible indirect relation between the present study and Agamben's, as several of the scholars on which I draw situate their work in relation to Agamben.[37] Furthermore, the present work can be said to corroborate and expand upon Agamben's work in the following sense. Agamben shows that in early modernity, *oikonomia* came to signify the providential order of the world. The world was understood to be ruled by God, but in such a manner that it was as though it ruled itself. I argue that value theory is essential to understanding how the market is conceptualized as such a self-ruling form of social order. One of the main contributions of this study in relation to the field of economic theology is that value theory to its core concerns the order of the world.

Shortly before the concept of economic theology came into use as a shorthand for a field of research, Paul Oslington edited *The Oxford Handbook of*

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[35] "One of the theses that we shall try to demonstrate is that two broadly speaking political paradigms, antinomical but functionally related to one another, derive from Christian theology: political theology, which founds the transcendence of sovereign power on the single God, and economic theology, which replaces this transcendence with the idea of an *oikonomia*, conceived as an immanent ordering—domestic and not political in a strict sense—of both divine and human life." Giorgio Agamben, *The Kingdom and the Glory: For a Theological Genealogy of Economy and Government*, Homo Sacer II, 2, trans. Lorenzo Chiesa and Matteo Mandarini (Stanford, CA: Stanford University Press, 2011 [2007]), 1. "Paradigm" in Agamben's use is similar but not identical to its common use as a term in the philosophy of science. It is closely related to "paradigm" in grammar: an exemplary word is taken out of context, given in all of its conjugations, to display a grammatical pattern which then shapes the conjugation of other words. While the semantic meaning of the word is temporarily suspended, a paradigm patterns thought in ways that create a continuity between the original setting and its new one. See Giorgio Agamben, *The Signature of All Things: On Method*, trans. Luca D'Isanto with Kevin Attell (New York: Zone Books, 2009 [2008]). For an accessible introduction to his use of the concept "paradigm," see Agamben's lecture "What is a Paradigm?", accessed July 30, 2021, https://www.youtube.com/watch?v=G9Wxn1L9Er0&list=PLBE227E32DBC7CA58

[36] Agamben, *The Kingdom and the Glory*, 4.

[37] This is where we would find the already discussed contribution of Singh, *Divine Currency*. A number of the contributions in Schwarzkopf's *The Routledge Handbook of Economic Theology* draw on Agamben. For a study that uses Agamben's thesis as a backdrop to investigate the role of theology in the history of economics in a way that is significant for chapter two of the present study, see Joost Hengstmengel, *Divine Providence in Early Modern Economic Thought* (London and New York: Routledge, 2019). For other examples which will not be immediately significant, but are part of the background discussions that form my theoretical perspective, see Mitchell Dean, *The Signature of Power: Sovereignty, Governmentality and Biopolitics* (Los Angeles: Sage, 2013); Nicholas Heron, *Liturgical Power: Between Economic and Political Theology* (New York: Fordham University Press, 2018); Dotan Leshem, *The Origins of Neoliberalism: Modeling the Economy from Jesus to Foucault* (New York: Columbia University Press, 2016).

Christianity and Economics.[38] In Oslington's introduction, the emergence of an interdisciplinary field of "religion and economics" is noted with many subsets. The subset that Oslington calls "historical relationships between economics and Christian theology" is crucial to my own study—I could not have performed my theological analysis of the history of value if other academics had not performed their historical studies with such rigor and precision.[39] Another part of this interdisciplinary field of religion and economics is covered in the publication of a parallel handbook about the relations between economics and Judaism: *The Oxford Handbook of Judaism and Economics*, edited by Aaron Levine.[40] The parallelism of the titles suggests that the interdisciplinary field that they cover overlaps but is not identical to the field of economic theology. The research represented by those two handbooks can be described by the term "interaction" between religions and economics, whereas economic theology can be described as being more in line with critical theory, and a hermeneutics of suspicion. That is, in economic theology, there is a major impetus toward denaturalizing the distinction between religion and economy as separate self-containing spheres by historicizing them within an overarching understanding of secularization as an ongoing process. This sets Christianity apart from other religions due to its pivotal role in the secularization of the West in which mainstream economics took shape.[41]

Sociologist Max Weber is sometimes mentioned as one of the progenitors of economic theology. He inspired many theological engagements with economics, both critical and constructive, a matter to which I will return. Weber argued that Calvinist interpretations of the theological trope of double predestination—some elected by God for eternal bliss, others for suffering—provided the germinating seed of capitalism with an ascetic ethics. Those ethics enabled capital accumulation, which was then reinvested instead of being used for consumption.[42] Weber's influence continues in different disciplines, as the

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[38] Paul Oslington, ed., *The Oxford Handbook of Christianity and Economics* (Oxford: Oxford University Press, 2014), https://doi.org/10.1093/oxfordhb/9780199729715.001.0001.

[39] See for example the contribution of A. M. C. Waterman, "Theology and the Rise of Political Economy in Britain in the Eighteenth and Nineteenth Centuries," in Oslington, *The Oxford Handbook of Christianity and Economics*, 93–112. Several of Waterman's studies are important to the present study. Historical research on medieval economic thought is also important to me, for example, I will draw on the scholarship of Odd Langholm in chapter two.

[40] Aaron Levine, ed., *The Oxford Handbook of Judaism and Economics* (Oxford: Oxford University Press, 2010), https://doi.org/10.1093/oxfordhb/9780195398625.001.0001.

[41] That does not exclude the consideration of similar relationships in other historical settings. Nor does it exclude that other religious traditions have played important roles in the development of the market economy of the West. It is evident that the interactions between other religious traditions and a contemporary globalized market economy merits further study. For one such study, see Meera Nanda, *The God Market: How Globalization is Making India More Hindu* (New York: Monthly Review Press, 2011). Nevertheless, economic theology is set apart from a more general exploration of "religion and economics" by its genealogical impetus.

[42] Max Weber, *The Protestant Ethic and The Spirit of Capitalism*, trans. Talcott Parsons (London: Routledge, 2001 [1905]).

relationship between religious ideas and economic behavior is explored.[43] The empirically oriented analyses fall outside of the scope of this thesis. But the host of different analyses and discussions contribute to the historical backdrop against which this study was conceived.

Much of contemporary Christian theology's engagement with the market economy is driven by a sense that economic relations and institutions that are, or should be, instrumental to human flourishing have instead become ends in themselves. In this distortion of means and ends, Christianity's diverse tradition is argued to harbor resources that may be of help in ameliorating dysfunctions in our contemporary economy. Each of the four texts that I subject to micrological analysis share this theme, as do many others.[44] Another common theme in theological engagements with economics is to highlight the similarity of economics or the economy on the one hand, and theology or religion on the other hand. This can be done either in a critical tone, as in John Milbank's condemnation of capitalism as a heresy,[45] or as an affirmation, as in Michael

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43 Weber's protestant ethics thesis has become a catchword for all manner of investigations of the relationship between religious and economic behavior. Examples abound in sociology and political science of attempts to empirically test Weber's thesis, in its historical respect as well as what such a relationship might look like today. For an example of a historical exploration, see Jeremy Spater and Isak Tranvik, "The Protestant Ethic Reexamined: Calvinism and Industrialization," *Comparative Political Studies* 52, no. 13–14 (2019): 1963–94, https://doi.org/10.1177/0010414019830721. For an example of an examination of how religiously informed ethics might still be relevant in today's economic setting, see Christopher L. Colvin and Matthew McCracken, "Work Ethic, Social Ethic, no Ethic: Measuring the Economic Values of Modern Christians," *Journal of Applied Econometrics* 32, no. 5 (2017): 1043–53, https://doi-org.ezproxy.its.uu.se/10.1002/jae.2543. The last title is, coincidentally, an example of the ambiguity of the concept of value: "measuring the economic values of Christians" is semantically possible to read as though the economic value, i.e. price, of each individual Christian can be measured. I will come back to a conceptual analysis of the ambiguity of "value" in chapter seven.

44 See for example Kathryn Tanner on the importance of religious person-formation in economic matters, drawing on Max Weber's thesis in her *Christianity and The New Spirit of Capitalism* (New Haven, CT: Yale University Press, 2019). See also Peter Sedgwick, *The Market Economy and Christian Ethics* (Cambridge: Cambridge University Press, 1999). Sedgwick analyzes work, the market, and personal identity through theological ethics. Another argument for a reordering of the economy from a Christian perspective is found in Daniel M. Bell Jr., *The Economy of Desire: Christianity and Capitalism in a Postmodern World* (Grand Rapids, MI: Baker Academic, 2012).

45 John Milbank, *Theology and Social Theory: Beyond Secular Reason*, 2nd ed., (Oxford: Blackwell Publishing, 2006 [1990]), ProQuest Ebook Central. Milbank traces secularization to theological developments within Christianity. Capitalism, for him, is a subset of a heretical modernity. His approach has been influential within and without theology. Radical Orthodoxy owes much to Milbank, and Stephen Long's *Divine Economy*, examined in chapter four of this thesis, is from that school of thought. Another example in the same vein would be John Hughes, *The End of Work: Theological Critiques of Capitalism,* (Oxford: Blackwell Publishing, 2007). For a different approach ringing with the same theme—the market economy as a "bad religion"—see Harvey Cox, who argues that the market effectively functions as a deity in *The Market as God* (Cambridge, MA: Harvard University Press, 2016).

Novak's claim that the market economy's close relation to the Christian tradition is an argument on its behalf.[46] Also from other disciplinary perspectives, capitalism and the market economy have been identified as similar to religious systems.[47] There are also those who observe the close relationship of Christianity and the market economy from a theological perspective without finding this relation neither menacing nor promising.[48] Others see the close relationship between theology and economics as both theologically problematic and potentially constructive.[49] My contribution to these longstanding discussions is a precise determination of the similarities and differences between Christian theology and market economy in one area: value theory.

Theological considerations of value in the economic sense were historically common, a fact that is largely forgotten among theologians today. This study fills that lacuna in contemporary academic theology. The full significance of this lacuna can be assessed only in the concluding discussions, where I will outline what the results of this study might mean for further theological reflection. However, the corresponding historical trajectory of value theory in economics—the exact same historical trajectory—has been explored in the history of economic thought. Historians and historically-informed economists have long known that the supply-and-demand theory of value that is integral to the idea of self-balancing markets was conceived in its first form in scholastic discussions on just price.[50] Recently, attention has been given to the strong presence of theological themes in the considerations of value in the early modern period too.[51] In my historical exposition in chapter two, I will draw on already existing historical research, and analyze those developments theologically. What were the theological motivations for the different positions of pre-modern thinkers, and how did theological themes continue to

46 See Michael Novak, *Catholic Ethic and the Spirit of Capitalism* (New York: Free Press, 1993). Novak draws on Weber's work but claims that Catholicism is as important to understand capitalism as Calvinism, and does so in an affirmative sense.
47 This theme is not uncommon in the field of economic theology. One example is sociologist Christoph Deutschmann's *Disembedded Markets: Economic Theology and Global Capitalism* (London and New York: Routledge, 2019). Deutschmann's analysis proceeds from the Austrian School in economics, and builds a case that real markets are opaque and "mystical," and hence that there are important analogies to religion in the market economy. For a closer analysis of theological aspects of one of the main thinkers in the Austrian School, Friedrich Hayek, see philosopher Tim Christiaens, "Hayek's Vicarious Secularization of Providential Theology," *Philosophy and Social Criticism* 45, no. 1 (2019): 71–95, https://doi.org/10.1177/0191453718768360. Christiaens argues that the market takes on the function of a *Deus absconditus* in Hayek's thought.
48 See Mark C. Taylor, *Confidence Games: Money and Markets in a World without Redemption* (Chicago: University of Chicago Press, 2004). See also his *About Religion: Economies of Faith in Virtual Culture* (Chicago: University of Chicago Press, 1999).
49 See Marion Grau, *Of Divine Economy: Refinancing Redemption* (New York and London: T&T Clark International, 2004).
50 See Raymond de Roover, "Scholastic Economics: Survival and Lasting Influence from the Sixteenth Century to Adam Smith," *Quarterly Journal of Economics* 69, no. 2 (1955): 161–90, https://doi.org/10.2307/1882146.
51 See the chapter on value theory in Hengstmengel, *Divine Providence*.

structure the thought of certain economists when they had no explicit theological motivations?

There are critical theological engagements with economic matters that take a confrontational approach to the current system. One major strain of thought in this vein is liberation theology, which originated in Latin America and foregrounded the "preferential option for the poor,"[52] focusing on the liberation of politically oppressed and impoverished peoples. Liberation theology and its siblings feminist,[53] black,[54] womanist,[55] postcolonial, and queer theology[56] are sometimes regarded as subdivisions within politically engaged theology, or political theology.[57] Often, such confrontations draw on a Marxist conception of the economy. That implies a labor value theory, different from the one that I focus on, namely, the subjective value theory that has come to be dominant in mainstream economics and the market economy.[58] In the sense that I draw methodologically on the critical theory of the Frankfurt school, there is a similarity in theoretical outlook between many of the liberation theologies and the present study. However, my study is mainly explorative, with limited constructive ambitions. Furthermore, liberation theology is often anchored in a confessional community, which the present study is not.

In the field of biblical studies, the economic dimensions of texts are increasingly explored in different ways,[59] in continuity with the understanding

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[52] One of the first works was Gustavo Gutiérrez, *Teología de la liberación* (Lima, 1971).

[53] An influential example is Rosemary Radford Ruether, *Sexism and God-talk: Toward a Feminist Theology* (Boston: Beacon Press, 1983).

[54] James H. Cone, *A Black Theology of Liberation* (Markynoll, NY: Orbis Books, 1970).

[55] Jacquelyn Grant, *White Women's Christ and Black Women's Jesus: Feminist Theology and Womanist Response* (Atlanta, GA: Scholars Press, 1989).

[56] For a combination of the postcolonial and the queer perspectives, see Marcella Althaus-Reid, *Indecent Theology: Theological Perversions in Sex, Gender and Politics* (London: Routledge, 2000).

[57] de Vries and Sullivan, *Political Theologies.*

[58] Marx did not invent the labor theory of value of classical economics, and as Waterman points out, mainstream or "orthodox" economists would count Marx among the ranks of classical economists. A. M. C. Waterman, "The Evolution of 'Orthodoxy' in Economics: From Adam Smith to Paul Samuelson," *The Independent Review* 24, no. 3 (2019): 325–45, http://www.jstor.org/stable/45238859. However, as the subtitle to *Capital* signals—*A Critique of Political Economy*—Marx sets out to mount a critique of the political economy of his time. In the first volume of the *Capital*, Marx begins by central elements in the standard understanding of value in his time, and from that basis develops a critique of it. For an illuminating discussion of what this means for the interpretation of Marx's value theory, see Michael Heinrich, *An Introduction to the Three Volumes of Karl Marx's Capital*, trans. Alexander Locascio (New York: Monthly Review, 2012 [2004]), ProQuest Ebook Central. In this context, suffice it to point out that it is unlikely that Marx's aim was to present or prove the labor theory of value.

[59] See for example Thomas R. Blanton and Raymond Pickett, ed., *Paul and Economics: A Handbook* (Minneapolis, MN: Fortress Press, 2017); Nathan Eubank, *Wages of Cross-Bearing and Debt of Sin: The Economy of Heaven in Matthew's Gospel* (Berlin: de Gruyter, 2013); Richard A. Horsley, *Covenant Economics: A Biblical Vision of Justice for All* (Louisville, KY: Westminister John Knox Press, 2009; Jennifer A. Quigley, *Divine Accounting: Theo-Economics in Early Christianity* (New Haven, CT and London: Yale University Press: 2021).

of many biblical texts as historically situated under the rule of the Roman Empire.[60] Similarly, the economic dimension of patristic literature has been discussed.[61] It is clear from this literature that theological contestations over property and wealth are perennial. The critique of wealth has been countered with theological defense of wealth if only subjected to proper use.[62] These discussions have bearing on the present undertaking because theological conceptions of value are inextricably intertwined with the ambiguous Christian critique of wealth. The relationship between value theory and a critique of wealth will become evident as we now move on to the first analytical chapter of this study and begin to outline the theological history of value.

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[60] For a review spanning decades of discussions on Paul in the context of the Roman Empire, see David J. Lull, "Paul and Empire," *Religious Studies Review* 36, no. 4 (December 2010): 251–262, https://doi-org.ezproxy.its.uu.se/10.1111/j.1748-0922.2010.01458.x. For an analysis of the book of Revelation in relation to the Roman Empire, see Elizabeth Schüssler Fiorenza, *Revelation: Vision of a Just World* (Minneapolis, MN: Fortress Press, 1991).
[61] See Charles Avila, *Ownership: Early Christian Teaching* (Maryknoll, NY: Orbis Books, 1983); Peter Brown, *Through the Eye of a Needle: Wealth, the Fall of Rome, and the Making of Christianity in the West, 350–550 AD* (Princeton, NJ and Oxford: Princeton University Press, 2012); Quigley, *Divine Accounting*.
[62] For an overview, see Christina McRorie, "Property and Ownership," in Schwarzkopf, *The Routledge Handbook of Economic Theology*, 116–25.

2 Toward a Theological History of Value

In this chapter I theologically analyze important steps in the historical development of the subjective value theory. Although the main purpose of the chapter is analytical, the historical approach will provide a background for the reader unfamiliar with economics. I reference and discuss both textbook knowledge and more scholarly research regarding significant economic theorists and theories, in order to trace the theology-laden aspects of the history of value.

Economists usually begin their account of their discipline's history with Adam Smith. After all, or so their story goes, it was Smith who came up with the idea that market exchange mediates the disparate self-interests of market agents in a way that tends to promote all parties involved. In Smith's words:

> It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.[63]

These words have been immortalized in the literature on the market economy because they capture the essence of the idea of the market as a mediator of complex interactions without any planned or top-down coordination. Those characteristics are the fundamentals of the "invisible hand" that Alan Greenspan so confidently relied on in 2005, as quoted on the first page of this study. To a large extent this chapter engages that basic idea: the seeds of it that were present before Smith and the development of it after him, as well as the theological considerations that were involved along the way.

I begin by zooming out to outline two significant understandings of economic order that predated Smith: scholastic value theory, and the Enlightenment trend to conceive of the world as self-ordering. The latter involved economic relations and was often spelled out in terms of mechanistic philosophy and deism. I then turn to the research on Smith and argue that his conception of markets shows traces of both those theological strains of thought. Next, I will show how these different ideas were traded on in the formative moment in economics that is commonly referred to as "the marginal revolution." From there we arrive at present-day mainstream economics, which has helped form

[63] Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, Book I, ed. Edwin Cannan (Methuen: London, 1904 [1776]), 16.

the economic reality in which we live. I show that emphasizing the theological influence on this intellectual development reveals a crucial thematic relationship between value, economic order, and competitive markets, from medieval Europe to the consolidation of the discipline of economics.

2.1 Value and Order in Scholasticism and Deism

In this section, I first explain what scholastic just price theory was in the Christian tradition.[64] Odd Langholm has shown a direct line of influence from a specific scholastic value theory to Adam Smith. I will analyze the theological themes at stake in this value theory, and argue that value, seen in this historical context, constituted a cosmological problem. Next, I move on to deism's role in the secularization processes of the West, and the Enlightenment's reconceptualization of order and causality in terms of self-organization.

2.1.1 Medieval Value Theory: Just Price

During the Middle Ages in Europe, the church provided the main educational and intellectual infrastructure in society. This meant that theological considerations included most topics of study, divine as well as economic matters.[65] Thus, the theological creature named "just price" was as an overarching framework for all economic considerations in medieval Europe. Perhaps for this reason, it is often dismissed as moralizing rather than analytical.[66] On the contrary, specialists have long known that just price was a sophisticated analytical framework with significant similarities to the present-day notion of market price. Langholm thus cites the following definition of just price as though it was common knowledge: "The just price was the current, competitive market price, free of all irregularities of these kinds and free of fraud and

[64] There were strong parallels in Islamic thought around the same time. See e.g. S. M. Ghazanfar, "The Economic Thought of Abu Hamid Al-Ghazali and St Thomas Aquinas: Some Comparative Parallels and Links," *History of Political Economy* 32, no. 4 (2000): 857–88, https://doi.org/10.4324/9780203633700; Ragip Ege, "The Concept of 'Lawfulness' in Economic Matters. Reading Ibn Rushd (Averroes)," *European Journal of the History of Economic Thought* 24, no. 4 (2017): 670–88, https://doi.org/10.1080/09672567.2017.1332665. Considering the role of Aristotle in Christian and Islamic thought alike at the time, the similarities are hardly surprising. Here, however, I shall focus on the developments in the Christian tradition.

[65] For what this implies when one approaches medieval texts, see G. R. Evans, "Introduction," in *The Medieval Theologians: An Introduction to Theology in the Medieval Period*, ed. G. R. Evans (Oxford: Blackwell Publishing, 2001), xiii–xx.

[66] If scholastic just price doctrine is mentioned at all, that is. As Schwarzkopf puts it, "most histories of economic thought often briefly mention Xenophon and Aristotle, and then cold-start their narratives with Adam Smith, as if the 2,000-odd years of intellectual history in between did not matter." "Introduction," in Schwarzkopf, *The Routledge Handbook of Economic Theology*, 9.

duress."[67] Among the "irregularities" affecting just price we find private monopolies, collusion among sellers to raise prices for personal gain, and price discrimination.

However, competitive market price did not necessarily mean what it does today. Langholm notes that the late scholastics articulated something approaching a modern market analysis, but that they worked in vastly different circumstances. For example, modern economists work with a general market law of supply and demand, whereas "[m]edieval authors had no very clear idea of the self-regulating market of equilibrium and the long run. They were faced with ubiquitous disequilibrium and the need to arrest exploitation then and there."[68] Langholm is one of the more cautious historians in this regard: some would argue that the scholastics share crucial structural similarities with the modern notion of market equilibrium.[69] For now, I will use Langholm, because he shows that also on the more cautious view, one will detect a continuity in value theory from theological versions in the thirteenth century to the present-day secular economics.[70]

In his book *Merchant in the Confessional*, Langholm works through an array of theological-economic thinkers who span over centuries. Needless to say they are different from one another. Langholm is nevertheless able to "construct what may be called an ideal form of the penitential doctrine on trade and price."[71] When I discuss just price below, I will be referring to this idealized form that Langholm derives from the discussions of it and its implemen-

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[67] Odd Langholm, "Monopoly and Market Irregularities in Medieval Economic Thought: Traditions and Texts to A.D. 1500," *Journal of the History of Economic Thought* 28, no. 4 (2006): 395, https://doi.org/10.1080/10427710601013855.

[68] Langholm, "Monopoly," 409.

[69] One such historian is Joel Kaye. Contra Langholm, Kaye argues for a germinating scholastic sense of equilibrium and even self-equilibrating markets, to which I shall return. Of course, Kaye distinguishes between modern and medieval thought. His argument against Langholm is first, that he sees more systemic similarities between the two theoretical frameworks, particularly if internal differences among different scholastic thinkers are considered, and second, Kaye finds it an unwarranted premise to assume that "there is one point (and place) in history when a 'true' market price can be said to exist and that all others are unworthy of the name." Joel Kaye, *A History of Balance, 1250–1375: The Emergence of a New Model of Equilibrium and Its Impact on Thought* (Cambridge: Cambridge University Press, 2014), 79.

[70] For a thorough argument regarding the continuity and changes in economic thought that undergirds Langholm's distinction between just price and the contemporary understanding of competitive market price, see Odd Langholm, *The Legacy of Scholasticism in Economic Thought: Antecendents of Choice and Power* (Cambridge: Cambridge University Press, 1998). Langholm's main argument is that in late scholasticism, a gradual depersonalization of trade took place that effectuated a decoupling of economics from ethics. For a different argument for a substantive difference between just price and current market price, see Fabio Monsalve, "Scholastic Just Price versus Current Market Price: Is It Merely a Matter of Labelling?", *European Journal of the History of Economic Thought* 21, no. 1 (2014): 4–20, https://doi.org/10.1080/09672567.2012.683019. Yet the argument signals that one has to carefully mark out the differences because there is a substantial similarity in other respects.

[71] Odd Langholm, *Merchant in the Confessional: Trade and Price in the Pre-Reformation Penitential Handbooks* (Leiden: Brill, 2003), 233. ProQuest Ebook Central.

tation. In the context of just price doctrine, trade was viewed with much suspicion. One prevailing argument was that, since Jesus had driven the merchants from the temple, "no Christian ought to be a merchant."[72] But society needed trade. Hence, according to Langholm, theologians would have realized that the way forward lay in staking out the path by which trade could be conducted without sin.[73] On the one hand, the soul of the merchant and the fabric of society would be endangered as soon as he was possessed by avarice. On the other hand, he would not conduct trade unless he derived benefit from it. Avarice had to be reined in, but without squelching the motivation to engage in commerce.

This careful weighing of the problem of sin against the necessity of trade directed the doctrinal development toward principles of justice. The definition of justice was the one already known to the ancient Greeks and transmitted through Roman law: "No injury nor fraud is done to him who knows and consents."[74] Knowledge is crucial for a contract to be considered voluntary, including the consideration that both parties of the contract must be able to understand the relevant information. Furthermore, consent excludes any kind of force, including the force of need alone—it is not lawful to charge a higher price of a desperate person, or to lower a hungry person's salary. Such coercion is sometimes called being "forced to choose," and is not understood to constitute real consent.[75]

Given this definition of justice as consent, an important corollary follows: for a contract to be freely entered there must be alternatives to unjust deals. Just price, as Langholm explains, is therefore intimately connected with competitive markets:

> Casting aside all modern notions, the current competitive market price served as a standard of justice in the confessional handbooks insofar as it offered protection against economic coercion. In such a market, no one can force the price of individual transactions above or below the just market value, because there will be better alternatives. Competition between sellers will protect buyers, and vice versa.[76]

But sometimes markets did not function so well, and exchanges often occurred outside marketplaces. To judge the functioning of the market, and to estimate the restoration sums when fraud or coercion was discovered, one needed a hypothetical competitive market price. The doctrine of just price needed a proper theory of value. Two principles guided just price estimations: production costs, and subjectively perceived utility, or desire, versus scarcity.

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[72] Langholm, *Merchant in the Confessional*, 234.
[73] Langholm, *Merchant in the Confessional*, 235.
[74] Langholm, *Merchant in the Confessional*, 237.
[75] Langholm, *Merchant in the Confessional*, 242.
[76] Langholm, *Merchant in the Confessional*, 247.

In his research on medieval economic thought, Langholm has also traced the direct hand-in-hand reception history of a particular just price theory of value with a strong emphasis on analysis of supply and demand. That reception history spans from Peter of John Olivi (1248–1298) to Francis Hutcheson (1694–1746), Smith's teacher at the University of Glasgow. Olivi's significance to economic thought was long unknown because he was commonly cited anonymously due to his controversial legacy.[77] He was important to the Franciscan Bernadino of Siena (1380–1444), whose extensive use of Olivi spread the latter's crucial insights, but whose use of Olivi was discovered only in the 1950s. Langholm focuses on Olivi's price doctrine, delivered by Bernadino in the form of a Lenten sermon. Olivi claims that the value of goods in exchange depends first on its qualities in use; second, on its scarcity; and third, on the amount of pleasure derived from its ownership. To Bernadino, the critical take away from Olivi's price theory were three words: *virtuositas*, *raritas*, and *complacibilitas*.[78] According to Langholm, *virtuositas* can be translated to mean "utility," a concept that later became of outstanding importance in modern economic thought.[79] *Raritas* can be translated to mean "scarcity," but *complacibilitas* is more complicated to define. Suggested meanings are desire for the good, or the pleasure one can derive from it, and therefore, it is sometimes rendered as "demand." Having discussed Olivi's theory in detail, Langholm concludes:

> Olivi, closely copied by Bernardino, does not only mention supply conditions along with demand conditions. What is more, he relates the scarcity and payment of labor and industry, along with other expenses, that is, factors of production, to the scarcity and just pricing of products. [. . .] I cannot think of any thirteenth-century author who comes as close as Peter Olivi to suggesting an integral theory of value—or, in medieval terms, an integral doctrine of the just price.[80]

To Langholm, Olivi's just price doctrine is an important step toward integrating different economic considerations into a general analytical framework, an integral theory of value. What Olivi and Bernadino are doing is not just moralizing over monopolies and usury, but beginning to systematize the different

[77] Olivi belonged to the Franciscan order and took part in the conflicts around the interpretation of poverty that culminated in the Spiritual Franciscans full confrontation with the papal *plenitudo potestatis*. Many of his writings were burned after his death and only circulated clandestinely. Curiously, he is little discussed among theologians in spite of his far-reaching legacy in political, theological, and economic thought. In chapter seven, I will return to some of his ideas.
[78] Langholm, "Olivi to Hutcheson," 132. As Langholm explains, Bernadino wrote these three words in his Olivi-manuscript, next to the passage he quotes in sermon thirty-five of his *Quadragesimale de Evangelio Aeterno*.
[79] The line of reasoning by Olivi that Bernadino summarizes by *virtuositas* contains the consideration of an object's *utilitatibus* to us. In Gabriel Biel's commentary on Peter Lombard's *Sentences*, this value determinant is treated under the concept *utilitas*, and after him, *utilitas* was the standard concept. Langholm, "Olivi to Hutcheson," 132; 136.
[80] Langholm, "Olivi to Hutcheson," 134

aspects of the contemporaneous division of labor so as to be able to estimate what a just price would be.

Langholm then traces Olivi's reception history to the School of Salamanca, a Spanish Renaissance circle of thinkers known for their discussions of natural law. They clearly drew on the tradition of economic thought from Olivi, and were influential in turn. One of the heirs to their thought was Francis Hutcheson, who drew on the same theory of value in his three works on moral philosophy. Hutcheson was Smith's teacher. But Langholm understands that line to be broken with Smith, a consideration which he develops in reference to a number of scholars that have deemed Smith's labor value theory "one-sided, just as a theory based on demand alone would be one-sided."[81] I will instead argue that there are critical structural similarities between just price value theory and Smith's notion of markets. The key to the difference is my emphasis on the theological connection between value and order. That connection will be the subject matter of the next section.

In sum, Langholm provides me with a thorough tracing of how a particular value theory that incorporated supply and demand on competitive markets travelled from thirteenth-century France to the Scottish Enlightenment, where it would eventually become integral to the modern discipline of economics. The theory of value originated as part of the scholastic doctrinal development on just price, and thus it is ripe with theological considerations.

2.1.2 Value as a Cosmological Problem

In this section, I show that the just price theory, precisely when it is asking for value, is concerned with the problem of order. The question of value is a cosmological problem—and by cosmology I mean "order of the world." Once that is made clear, we will see the same is true of subsequent developments in value theory.

Langholm discusses the preoccupation with balancing sin and virtue in the considerations of just price. Trade was perceived as potentially sinful, which means it was stitched into the overall Christian dogmatic framework of creation, the Fall, and salvation. Just price theory's treatment of commerce and its dangers gives the marketplace a particular position in this framework. To understand that position, it is instructive to look at the contrasting patristic view of market value. In approaching that subject, I will follow intellectual historian

[81] Langholm, "Olivi to Hutcheson," 139. Similarly, Joost Hengstmengel states that "unlike his predecessors, Smith seemed to fail in unravelling the [value] paradox, having access to a long tradition of value and price theory that was successful in doing so." Hengstmengel, *Divine Providence*, 111.

Joost Hengstmengel's account of the treatment of the so called "value paradox" in antiquity.[82] Smith puts the value paradox in the following words:

> Nothing is more useful than water: but it will purchase scarce any thing; scarce any thing can be had in exchange for it. A diamond, on the contrary, has scarce any value in use; but a very great quantity of other goods may frequently be had in exchange for it.[83]

Smith is often credited with having formulated this paradox that was later solved with the intellectual breakthrough that is called the "marginal revolution." The protagonists of this revolution, the marginalists, argued that price does not depend on a commodity's total utility, but on what is called its marginal utility—hence the name of their revolution. The total utility of food is that it keeps one alive. But when one has bought sufficient food, one will begin to evaluate different uses of one's money. Will I buy another loaf of bread or use the money for tomatoes instead? The analytical tool of marginal utility solved the value paradox because one can only eat a limited quantity of bread, and if one purchases more than that, the bread will only go bad. That is, the marginal utility of bread dramatically falls for an individual, from dear to worthless. The marginalists claimed that fresh water is cheap or free despite of being essential to life because it exists in abundance and one only wants a limited quantity of it. But for some things, marginal utility does not diminish rapidly. You can never get "too many" diamonds, and because diamonds are scarce, they will be in high demand. Thus the relationship between supply and demand is the key to understanding value.

I will return with a richer exposition of the marginalist value theory below. What is of interest here is that Hengstmengel points out that the value paradox was well known in ancient thought, discussed by Plato, Philo of Alexandria, and also the church fathers. As Hengstmengel shows, the church fathers were aware that scarcity and demand were more important than use value in the determination of prices. However, they did not develop a theory of value. According to Hengstmengel, to the patristic authors, the value paradox served "a moralising purpose. They instructed Christians not to pursue luxury goods but to contend themselves with what is really necessary in life."[84] Hengstmengel continues: "It is in their analyses of subjective value and the underlying psychology that, economically speaking, the Church Fathers were at their best."[85] Since they stopped short of a full-fledged theory of value, Hengstmengel's final word on the patristic theologians is that they did not solve the value paradox, but they were on the right track.

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[82] Joost Hengstmengel, "The Paradox of Value in the Teaching of the Church Fathers," *The European Journal of the History of Economic Thought* 0, no. 0 (2021): 1–14, https://doi.org/10.1080/09672567.2021.1877758.
[83] Smith, *Wealth of Nations*, 30.
[84] Hengstmengel, "The Paradox of Value," 10.
[85] Hengstmengel, "The Paradox of Value," 11.

But from a theological perspective, the "moralizing" of patristic thinkers was a solution to the value paradox. In early Christian theology, desire was viewed as ambiguous. On the one hand, one's desire for material things could potentially bespeak love for the creator that was, ultimately, the source of the material world. On the other hand, if this same desire was for the things themselves, desire was led astray and even became death-dealing. Desire for gems or gold was at best considered ambivalent, but more often than not simply condemned. In early Christianity, theological critique of wealth was commonplace for that reason.[86] This, I argue, is the relevant theological explanation of the patristic treatment of the value paradox. The value paradox was less an earnest question regarding prices, and more of an observation of the perversion of mankind. That gems or gold were more expensive than water was explained by subjective factors, as a sign of sin's corruption of humanity.

Hengstmengel shows that Augustine (354–430) thinks that there is a rational order or value hierarchy in the world as created by God that runs contrary to prices in markets. The question of value "becomes a paradox when Augustine observes that this reasonable order of nature is overthrown if people in their valuations are 'driven by want or drawn by passion.'"[87] My point is that the contradiction that Augustine perceives, between a rational order and the market order, is not a paradox in the sense of it being an intellectual enigma. Augustine plainly sees the market order as part of the fallen condition—the value paradox is a cosmological problem.

Of all the church fathers that Hengstmengel mentions, one is particularly interesting for us: Eusebius of Caesarea (260–340), most famous today for offering a Christian legitimation of the Roman empire.[88] That he held the same view on the value paradox as Augustine indicates how common it was. Hengstmengel quotes the following passage from Eusebius:

> The wealth which others so much desire, as gold, silver, or precious gems, [Constantine] regards to be, as they really are, in themselves mere stones and worthless matter, of no avail to preserve or defend from evil. For what power have these things to free from disease, or repel the approach of death?[89]

[86] For an overview of the critique of wealth in patristic thought, see Hennie Stander, "Economics in the Church Fathers," in Oslington, *The Oxford Handbook of Christianity and Economics*," 21–43. However, Stander does not make the connection to the value paradox. Hengstmengel's realization that those discussions concerned the problem of value is important.
[87] Hengstmengel, "The Paradox of Value," 10.
[88] Thus, the quotation Hengstmengel analyzes is an excerpt from the historical dialectics that Singh observes between economic, political, and theological thought in the history of the West. Singh discusses Eusebius on several occasions in *Divine Currency*. For example, see Singh, *Divine Currency*, 72–103.
[89] Eusebius of Caesarea, quoted in Hengstmengel, "The Paradox of Value," 7–8.

Needless to say, the power that can fend off evil and dispel death is God. The quotation is discussed by Hengstmengel as an example of how the value paradox served moralizing purposes. But in the wider context of this quotation, Eusebius is theologically legitimizing Constantine's power and riches precisely through the theological critique of wealth that was commonplace in patristic thought. How is that possible? Let us turn directly to Eusebius's praise of Constantine. Immediately after the rhetorical question that Hengstmengel quotes, Eusebius observes the following of Constantine's psychological and spiritual disposition:

> All the same, even though he knows this, with dispassionate reasoning he skillfully arranges for their use out of regard for his subjects' sense of proper style, all the while amused at those who in their naïveté are distracted by such things. [. . .] Because of all these things, the high-minded sovereign, learned in divine matters, pursues things higher than his present life, calling on the Father who is in heaven and longing for His kingdom [. . .].[90]

According to Eusebius, Constantine possesses the material things that others desire, but he regards them with indifference. This is a clue to understanding what Eusebius does with the value paradox. Given the commonplace theological critique of value and wealth, and given that Constantine possessed great wealth, Constantine could, from a Christian perspective, be argued to be bound by avarice. If Constantine is to be perceived to be a pious Christian, Eusebius has to show that Constantine shares this Christian critique of wealth and power, while being rich and powerful. The critique becomes an internal posture, revealing itself only as Constantine's "amusement" at those who are attracted by power and wealth—while adapting himself to their sense of "style."

Regardless of Eusebius's motives for describing Constantine in this way, an effect of his formulation is that one need not divest oneself of power and wealth to be freed from avarice. To Eusebius, wealth is still worthless—but one can be rich and still serve God rather than Mammon. For the present study, the most significant aspect of Eusebius's use of the value paradox is that even when at their most wealth-friendly, the patristic thinkers agreed that the market price of gold and gems is a result of disordered desire. To patristic theologians, market price is irrational. That irrationality demanded a psychological analysis of desire, of subjective value. But the church fathers did not need anything like present-day economic analysis of market forces.

Eusebius found himself at a time when Christian theology had just achieved a normative position in society. At the time of the development of the just

[90] Eusebius of Caesarea, "In Praise of Constantine," in H. A. Drake, *In Praise of Constantine: A Historical Study and New Translation of Eusebius' Tricennial Orations* (Berkeley, CA: University of California Press, 1976), 90. The verses quoted are 5.7–8.

price doctrine, the main infrastructure of education and intellectual life in Europe was the church. In that societal context, the patristic theological critique of market value gave way to pragmatic and realistic considerations of trade. From a theological perspective, just price theory makes sense in this exact historical context. The medieval theologians could not leave behind the earlier theological condemnations of the motivations for economic gain and trade. At the far end of the danger of avarice lay the problem of replacing the love for God with love for finite things. Yet, commerce was necessary, and the church was the infrastructure for intellectual life: thus also for economic thought. Furthermore, commerce was developing and rapidly so.[91]

As intellectual historian Joel Kaye describes, in the early Middle Ages, the idea of just price was structured on a principle of numerical equality. Equal values were to be exchanged in trade, and if you lent money, you received the same sum in repayment. This model "assumes an arithmetical equation of 1:1, with each side of the equation numerable, perfectly knowable, and perfectly fixed once known."[92] By the end of the twelfth century that model was well established, but put under pressure from rapid monetization, commercialization, and market development. It is in this context that we find Olivi, whom Langholm pointed to as the precocious inventor of an integral value theory. According to Kaye, Olivi was an early and important voice in shifting the focus toward equality in terms of equilibration, where exact numbers were not easily predictable.

As Kaye shows, by the turn of the twelfth and thirteenth centuries canon lawyers began to apply the practice of monetary penalty when the creditor incurred economic loss due to a breach of contract, called "*interesse*." If the ban on usury in lending was intended to protect the debtor, the *interesse* served to protect the creditor. With time, *interesse* came to be used even when no contractual breach had occurred, but the creditor had suffered loss for another reason pertaining to the loan. Up until Olivi, *interesse* could be included as an appendix to a lending contract, but if it was part of the contract itself it would be deemed usury. But Olivi argued that it could be included in the contract; not only as a protection against accidental loss, but against the hypothetical loss the lender incurred by not being able to invest his money. For Olivi, if the lender would have invested the money, he may demand "*the equivalent of the profit he would likely have gained*, had he retained the use of his money."[93]

[91] See e. g. Robert S. Lopez, *The Commercial Revolution of the Middle Ages, 950–1350* (Englewood Cliffs, NJ: Prentice Hall, 1971).
[92] Kaye, *A History of Balance*, 25. In what follows I will draw on Kaye's research. It should be noted that in *A History of Balance*, Kaye traces a changing tacit paradigm of equilibrium and balance that undergirded all thinking in the period he covers, particularly in natural philosophy, medicine, and economic and political theory. I am only making use of his findings in relation to economic thinking, without drawing on his idea of a tacit evolution of a paradigm.
[93] Kaye, *A History of Balance*, 66–67. Italics in the original. This argument of Olivi concerns debt relations between city and citizens—it was not uncommon for citizens to be forced to lend

Interesse begins to look like what we know as "interest." Crucially, for Olivi to make this provocative argument, he had to take another innovative step: to claim that money can fructify; that it can be capital. Olivi distinguished between money in traditional terms, as sterile, "*pecunia numerata*," and money in the hands of a skilled merchant: "*capitale*."

Olivi argued that "the probability of commercial profit possesses a real and 'appreciable' value (*appreciabilis valor probabilitatis*) that can be estimated and measured by money price," and that the buying and selling of *capitale* by merchants was licit.[94] To Olivi, when interest was demanded in lending contracts, merchants were not necessarily usurious, but may have correctly estimated the real value at stake. A crucial question arises: how does such an estimation come about? Take notice, this is the essence of a value theory that has left numerical equality behind. Olivi assigned this central task "to the conjoined judgments of the individual merchant exchangers themselves."[95] To Olivi, the value of money is determined on the aggregate level of the market as a social process.

Olivi argues that as long as contracts are freely entered, market exchange will for the most part "function within acceptable and rational limits, and will arrive at a just *aequalitas*, even though at its foundations lies the conflicting desire for unequal gain: the desire to buy for less and sell for more."[96] That is, provided that the exchange takes place on a competitive market and within the bounds of just price, the antagonistic desires for gain will balance one another.

Kaye notes that Olivi thinks as a systematic theologian, but he does not investigate Olivi's theological motives further. According to Kaye, Olivi understood the self-equilibrating market to be divinely instituted.[97] However, I

money to the city. However, Kaye argues that the same goes for Olivi's view on other forms of lending contracts, see 68–69.

94 Olivi, quoted in Kaye, *A History of Balance*, 71. One of Kaye's arguments throughout his book is that probability underwent a change in epistemological status during the time period he describes. Olivi was, he claims, one of the first to recognize that probability was a valid form of knowledge.

95 Kaye, *A History of Balance*, 71.

96 Kaye, *A History of Balance*, 112.

97 Kaye, *A History of Balance*, 57. Sometimes Kaye quotes the first position Olivi presents in response to a question as though it was Olivi's own position. That may have led Kaye to interpret Olivi as more affirmative in his understanding of market order than he was. Let me briefly compare a part of Kaye's analysis of Olivi with Peter of John Olivi, *A Treatise on Contracts*, ed. Sylvain Piron, trans. by Ryan Thornton and Michael Cusato, O. F. M. (New York: Franciscan Institute Publications, 2016 [2012]), 1–6. The opening of the tractate, Part I, question I, concerns whether it is licit to sell a thing for more or buy it for less than it is worth. The positions that Olivi opens with answer that question in the affirmative. Kaye quotes those arguments as though they were Olivi's own, and builds an analysis of Olivi on them in *A History of Balance*, 108–110. The problem is that a scholastic treatise is generally structured such that the first position presented is refuted. Olivi proceeds differently, though: he instead uses the initial contradictory positions to define the problem, which he then discusses and resolves. One cannot take Olivi's opening remarks at face value the way Kaye does. Nevertheless, Kaye's overall argument regarding Olivi's analysis of value seems to hold water, since he mainly draws on the more careful and nuanced statements later on in Olivi's exposition. Piron's introduction to

argue that the theological premise for Olivi's precociousness was not only his genius, but, seemingly paradoxically, his faithfulness to the patristic condemnation of wealth. First of all, we may note with historian Giacomo Todeschini that Olivi's economic thinking developed within the bounds of his strict interpretation of the Franciscan poverty vow. If the community is to be poor, how will the followers of Christ survive? They had to use things necessary for their survival. According to Todeschini, Olivi began developing his economic ideas in relation to the pragmatic issue of how to live this ideal of apostolic life. In the use of necessities, things are necessary in varying degree, they are necessary in different ways, and the true followers of Christ may come about them in different ways. The *vita apostolica* required careful evaluations of utility in relation to scarcity. The attention to this matter translated to attention to the role of evaluation of the usefulness of scarce resources more generally, and the social embeddedness of such evaluations: "The relativity of this evaluation, or of the social value, of indispensable, useful, or unnecessary goods continuously returns to the concreteness of a society whose measurement of needs and superfluities varies [. . .]."[98] On Todeschini's account, the spiritually motivated lack propelled a new understanding of value.

But if Todeschini is right in pointing out that the poverty ideal motivated a deepened analysis of value, then Olivi must be understood as firmly rooted in the ancient Christian critique of wealth. Olivi claimed that the apostolic life meant poverty, because wealth and property claims were inimical to the Christian God. That means that Olivi cannot have perceived the self-equilibrating market order as a divine or perfect order.[99] However, as we shall see, Olivi's groundbreaking insights regarding the forces of price determination on markets would eventually be developed in a way which rid itself of the notion of sin.

Let us return from this closer look at Olivi to the broad picture. According to Langholm, in the negotiations around the pitfalls of trade in just price doctrine, there was a development away from Thomas Aquinas's understanding of avarice as a sin against justice. If avarice is a sin against justice, then avarice has to be considered a core problem of just price doctrine. In that case sin is intrinsic to commerce. Robert Grosseteste (1175–1253) argued that avarice

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Olivi's *Treatise* is helpful for orienting oneself in Olivi's argumentative structure: Sylvain Piron, "Introduction," in Olivi, *Treatise*, xix–lii.

98 Giacomo Todeschini, *Franciscan Wealth: From Voluntary Poverty to Market Society*, trans. Donatella Melucci (New York: Saint Bonaventure University, 2009 [2004]), 98. ProQuest Ebook Central.

99 Piron writes that Olivi distinguished between the evangelical perfection to which the Spiritual Franciscans held, and the imperfection of mortals, including market exchange. "Olivi affirms that the imperfect can be known in itself, without being compared to the perfect." Furthermore, according to Olivi, also imperfections such as owning property "contain a certain good in themselves, on the condition that good use is made of them." Piron, "Introduction," xxxi; xxxii. I will discuss the theological theme of the perfection of poverty further in chapter seven.

was a sin against charity. In that view, the problem of avarice becomes principally external to the trading situation. When just price doctrine opted for Grosseteste in this regard, the theological considerations of avarice could be steered away from economic transactions. An example of this prioritization is how in the fifteenth century, Battista Trovamala defended the seeking of personal gain by merchants as just:

> Commerce is lawful, Battista states, if the merchant, moved by piety, distributes some of his gain among the poor, though there is no moral objection to his supporting himself and his dependents in a certain style, provided that avarice does not get the better of him.[100]

Battista recognized the sin of avarice and warned against it. But the issue becomes one of motivation, or of internal posture—not unlike Eusebius's description of Constantine's view on wealth.

In sum, two trends were vital to the development of just price: understanding justice as the guiding norm of trade; and opting for interpreting the sin of avarice as a sin against charity rather than justice. These theological prioritizations meant that trade had to follow the prevailing understanding of justice as free consent, which forged a logical link between just price and competitive markets. It also meant that scholastic just price theory could harness a drive to make gains, and continue to preach the theological virtue of charity as the most elevated. While individual thinkers, like Olivi, held charity to be the most important of all virtues, it had no crucial role in the market, nor in the value theory forged in relation to competitive markets.

If we view these negotiations in relation to the overall Christian narrative, we see that trade occupied a tense space between good, created human nature and fallen human nature. The theological scales continued to shift in favor of trade. In this development, the reconsideration of avarice is significant. Langholm describes a development over time from Thomas's clear-cut and influential condemnation of avarice as theft, to the trend in Renaissance thought to consider the chase for profit to be a natural impulse.[101] When history had run its course all the way to deism, to which we will turn next, the scholastic conceptions of just price and the sin of avarice were far from view.

Two main conclusions can be drawn from the foregoing. First, from the outset value theory concerned cosmology. For the theologians discussed here, the question of value was about how this world is and should be ordered. Second, in scholastic just price theory, a theological link was forged between value, order, and competitive markets.

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[100] Langholm, *Merchant in the Confessional*, 235.
[101] One example is Poggio Braciolino (1380–1459), who had one of the discussants in his dialogue *De avaritia* claim that avarice was not only natural, but a virtue. Langholm, *Merchant in the Confessional*, 270.

2.1.3 Providential Deism and Self-Balancing Orders

Under the heading of the "invisible hand," political scientist Lisa Hill gives an overview of how the social world was increasingly conceptualized as self-organizing during the eighteenth century. This intellectual development was enabled by the conceptual linchpin of a creator who had designed the order in question. The term "invisible hand" came to function as a shorthand for a thought pattern that is well-known in economics but was not originally limited to it, according to Hill. The invisible hand denoted a self-equilibrating or self-organizing capacity in a social setting, one where multitudes of individual actions that have no intentional connection to the whole still together forge the whole. Such a system, it was thought, could not be designed by humans though it was caused by their behavior. Hill writes: "order is therefore shaped unconsciously by human hands and forged by motives completely unrelated to their eventual results."[102]

In philosopher Charles Taylor's narrative of the secularization of the West, providential deism is given a key function. Taylor claims deism worked as an intellectual intermediary in a long and winding process that landed us in what he calls "the immanent frame." Taylor's account moves at a holistic historical level, attempting to understand the European transition into modernity. By contrast, I am more narrowly focused on the development of the value theory connected to order in markets. That means that I do not necessarily concur with Taylor's narrative as a whole.[103] But Taylor's narrative is useful to understand the role of divine providence in the development of early modern economic thought.[104]

According to Taylor, the longstanding understanding of the world as caused by and cared for by a creator who had a purpose in their creative activity underwent what he calls an "anthropocentric shift" around the turn of the eighteenth century. This shift, Taylor argues, found expressions for example in Matthew Tindal's *Christianity as Old as Creation* (1730), a version of Christian deism that drew on natural theology. In this anthropocentric shift, self-interest became emphasized as a constitutive force for the social order. To realize God's will, one should realize one's own good. The existence of God was still assumed, but God did not intervene in the world. The ends always met in the created order. The broader trend Taylor describes went for thinkers of different stripes, though with different emphases and nuances. Christian apologetics tended to adopt the basic ideas, focusing on what were then the intellectually palatable themes of creation in terms of natural theology and providence.

[102] Hill, "Invisible Hand," 315.
[103] For a different picture of the broader process, see S. J. Barnett, *The Enlightenment and Religion: The Myth of Modernity* (Manchester: Manchester University Press, 2003).
[104] Taylor's account of secularization also functions as a backdrop to the more detailed analysis in Hengstmengel, *Divine Providence*.

One part of this trend was the formulation of the idea of the harmony of interests—that egoism could unintentionally generate common good. As Taylor has it:

> The idea was made notorious in Mandeville's *The Fable of the Bees*, in the shocking thought that private vices conduce to public benefit. It was finally given canonical form in the invisible hand doctrine of Adam Smith, and was henceforth almost universally admitted.[105]

But Taylor is mistaken about both this idea's novelty and Smith's role. Langholm and Kaye have shown that the significance of self-interest as a social force was discussed already by the scholastics, and Hill shows Smith invented neither the term "invisible hand" nor the constellation of ideas to which it pertains. Nevertheless, Taylor's claim that the spread of the idea of harmony of interests reflects "the shift in the idea of natural order" fits with Hill's article on the invisible hand.[106] Furthermore, the significance of divine providence for early modern economic thought is thoroughly corroborated by Hengstmengel.[107] The idea that apparently contradictory forces generated a natural harmonious order had clearly gained a general foothold by Smith's time.[108]

According to Taylor, the universe was now perceived to be a set of causal laws that were possible to grasp rationally. These causal laws ruled the heavenly bodies as well as human life. This implied an individualism in the sense that each and every individual was thought to be the smallest component of a larger mechanism. Taylor puts it this way: "Modern society is a united we/they of similar units."[109] Taylor's idea of the modern self as "buffered" belongs to this theme. The modern buffered self implies an "ethic of rational control" contrasted with the pre-modern "porous" self.[110] The porous self is instead a self that is not immediately separable from the relations in which it takes part—a self open to forces beyond its control. These observations will be helpful in what follows. While Smith in some respects fits this picture, his notion

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105 Taylor, *A Secular Age*, 229.

106 Taylor, *A Secular Age*, 229.

107 Hengstmengel, *Divine Providence*.

108 The description of divine providence in reformer Jean Calvin's *Institutes* shares traits with the deism that was about to develop, while differing from it in significant ways. Smith was working in the Scottish theological environment of Reformed Christianity when he developed his theory of order in markets. Some of the providential traits in Smith's thought that several interpreters, including Hill, explain by recourse to Stoically-flavored deism, could as well be interpreted in relation to Calvin's notion of providence. For example: "Whence we assert, that not only the heaven and the earth, and inanimate creatures, but also the deliberations and volitions of men, are so governed by his providence, as to be directed to the end appointed by it." John Calvin, *Institutes of the Christian Religion*, vol 1, trans. John Allen, 6th American ed. (Philadelphia, PA: Presbyterian Board of Publication, 1813), 244. On the significance of a similar notion of providence throughout the line of theological-economic thought, see Hengstmengel, *Divine Providence*, 43.

109 Taylor, *A Secular Age*, 281.

110 Taylor, *A Secular Age*, 134.

of the self is porous and deeply social. However, these features—individuals as units, buffered selves, identically interlinked with the whole—will recur when we approach the marginalist framework, as it simultaneously developed and deviated from Smith's conceptuality.

One final point. As Hill underlines in her description of the eighteenth-century shift in conceptions of causality toward self-organizing systems, the premise needed for this shift was the creator: "During this period, theories of evolution and open-ended adaptation were as yet unavailable to early social scientists, so the idea of a designed universe still underlay many of even the most innovative social and economic theories."[111] What Hill suggests is that today we can conceive of other spontaneous self-ordering processes. But she also implicitly conveys the notion that in Smith's time, order was still thought of in the same way in all areas. Economics and biology had not yet separated from theological thought structures. Philosopher Margaret Schabas has pointed out that, to Enlightenment thinkers, the present-day notion of "the economy" as a self-contained sphere with its own laws did not exist.[112] To the classical economists as Enlightenment thinkers, the world was united, conceivable within a theological framework: "What makes the Enlightenment conception of nature so different from our own is its strong allegiance to the deity. The moral and natural worlds were unified insofar as they were the book of a single 'Author'. . ."[113] To put it in theological terms: the world was still creation to these thinkers. That included human nature too, so one thinker, such as Smith, could effortlessly move from human nature to characteristics of a soil to the passing of the seasons. In economist Anthony Waterman's words: "Adam Smith was not a 'theologian.' Nor was he an 'economist.' These are present-day labels for present-day intellectual enterprises. There has been much division of labour in the academic industry since Smith's day."[114]

2.2 Smith Before Economics: Price, Nature, Interest

In this section, I focus on the relation between interested parties in trade, prices, and spontaneous order in Smith's thought. I analyze this tripartite complex from a systematic theological perspective, and argue that when Smith's theological understanding of nature and order is highlighted, his notion of a

[111] Hill, "Invisible Hand," 314.
[112] For a critical illumination of the use of "the economy" today, see Margaret Schabas, "Constructing 'The Economy,'" *Philosophy of the Social Sciences* 39, no. 1 (2009): 3–19, https://doi.org/10.7228/manchester/9780719072246.003.0008. On this topic, see also Timothy Mitchell, "Fixing the Economy," *Cultural Studies* 12, no. 1 (1998): 82–101, https://doi.org/10.1080/095023898335627.
[113] Margaret Schabas, *The Natural Origins of Economics* (Chicago and London: University of Chicago Press, 2005), 11.
[114] A. M. C. Waterman, "Preface," in *Adam Smith as Theologian*, ed. Paul Oslington (London and New York: Routledge, 2011), vii.

self-ordering market turns out to be structurally similar to just price value theory. However, in Smith's conceptualization, the interrelated complex of value, order and competitive markets is uprooted from the context of created versus fallen nature, and brought to the context of the salvation of the fallen. What were previously conceived as the pitfalls of trade become the occasion for the transformation of vice into virtue.

2.2.1 Natural Order

Rarely is Smith recognized to draw on medieval sources. The explanation is simple: he "systematically ignored" both scholastic theologians and the church fathers.[115] Nevertheless, I will argue that Smith's notion of the dynamic of market price shares structural similarities with the scholastic just price doctrine. If attention is paid to how value concerned order in scholastic thought, the continuity will come out in the open. Here, Waterman's exegesis of the theological qualities of Smith's *Wealth of Nations* will be of good use.

"Nature," Waterman shows, is a prevalent word in *Wealth of Nations*. In Smith's book, "nature"—including "natural" and "naturally"—often denotes the characteristics of something, such as soil and climate in an area, or the laws of a society. However, it often indicates intention, functioning in a way that "is nearly synonymous with the God referred to . . . as 'the Deity.'"[116] The conceptual ambiguity here, Waterman shows, is central to understanding how the self-ordering of the economy was envisioned by Smith. Waterman notes that the frequency of the adverb "naturally" increases in chapter seven of book one, "Of the Natural and Market Price of Commodities." This chapter concerns the relationship between natural price and market price, and how the latter is "naturally" drawn to the former. This exact relation is what interests me in Smith's thought. Before going into Waterman's argument, I will first look at this line of Smith's reasoning.

To Smith, the natural price is what it costs to bring a commodity to market. At the natural price, the "commodity is then sold precisely for what it is worth, or for what it really costs the person who brings it to the market [. . .]."[117] In Smith's idea of a natural price, we see an expression of a substance theory of

[115] Hengstmengel, "The Paradox of Value," 2.
[116] A. M. C. Waterman, "Economics as Theology: Adam Smith's *Wealth of Nations*," *Southern Economic Journal* 68, no. 4 (2002): 909, https://www.jstor.org/stable/1061499.
[117] Smith, *Wealth of Nations*, 57. The paragraphs I discuss in this section are from *Wealth of Nations*, Book I, chapter VII. Smith's full initial definition, found on the same page, is as follows: "When the price of any commodity is neither more nor less than what is sufficient to pay the rent of the land, the wages of the labour, and the profits of the stock employed in raising, preparing, and bringing it to market, according to their natural rates, the commodity is then sold for what may be called its natural price."

value, namely, that a commodity has a value that derives from production processes, regardless of its market price.[118] And the market price is defined as follows by Smith: "The actual price at which any commodity is commonly sold is called its market price. It may either be above, or below, or exactly at the same with its natural price."[119]

Smith goes on to argue for a self-ordering process in production and distribution driven by this difference between natural price and market price. The baker will only bring bread to market as long as he can live off this trade, that is, as long as market price is not below natural price. That is why Smith trusts the baker's self-interest rather than his benevolence when it comes to bringing bread to market.

> The market price of every particular commodity is regulated by the proportion between the quantity which is actually brought to market, and the demand of those who are willing to pay the natural price of the commodity [. . .]. Such people may be called the effectual demanders, and their demand the effectual demand; since it may be sufficient to effectuate the bringing of the commodity to market. It is different from the absolute demand. A very poor man may be said in some sense to have a demand [. . .]; but his demand is not an effectual demand, as the commodity can never be brought to market in order to satisfy it.[120]

Two things happen in this passage that are crucial to the present study. First, Smith notes that the market price is determined by the quantity of a good and what he calls the effectual demand for this good in a market: that is, supply and demand. In his exposition, it is clear that market price coordinates the behavior of different people that have no intentional relation to one another other than the exchange. "Effectual demanders" earn their name because their demand effectively causes changes in the behavior of suppliers. Smith explains not only how a market price is the result of the proportions of supply and demand, but how market price is a signal that coordinates the behavior of suppliers and demanders. This is his supply-and-demand theory of value. And it is a theory of order.

The second significant feature of the above quotation is that Smith immediately addresses that the order that he describes does not include every imaginable person in a concrete marketplace. The "absolute demand" is not the same as what he defines as "effectual demand," or what is today more commonly known as "effective demand." Smith recognizes that the demand of the

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118 That might be one of the reasons why historians such as Langholm and Hengstmengel think that Smith fails to draw on the insights of his predecessors regarding the role of demand. For an analysis of Smith's value theory and how it is related to the market process, see Nerio Naldi, "Adam Smith on Value and Prices," in *The Oxford Handbook of Adam Smith*, ed. Christopher J. Berry, Maria Pia Paganelli, and Craig Smith (Oxford: Oxford University Press, 2013), 290–306, https://doi.org/10.1093/oxfordhb/9780199605064.013.0015.
119 Smith, *Wealth of Nations*, 58.
120 Smith, *Wealth of Nations*, 58.

poor cannot make producers bring a good to market. These interwoven themes—first, the role of price in the self-balancing market, and second, the exclusion of the moneyless from this self-organizing process—will be two focal points throughout this book.

Let us compare the structure of Smith's natural and market prices with just price. Scholastic just price doctrine works with the pair of just price and actual prices. The ideal of just price is what the actual price would be on a perfectly competitive market because it protects freedom of choice. This ideal order required surveillance and interventions when market irregularities occurred. Smith works with the pair of natural price and market price. Here, the freedom of choice of agents in actual markets is argued to lead to the coincidence of market price with natural price. This process of deliberation of market agents not only results in price formation, but an ordering effect ripples out from the market through the lines of production and distribution. The dialectic between natural and market price is a feature internal to markets: the order resulting from it is spontaneous. In scholastic just price theory, the competitive market price is a hypothetical guideline employed in the face of oft-occurring disequilibrium. But in Smith's view, there is a natural gravity towards equilibrium. A critical component of this process is the butcher's, the brewer's, and the baker's regard for their own interest.

This is where Waterman's argument becomes particularly interesting, because in Waterman's reading spontaneous self-organizing has to do with a theologically conceived "nature."[121] Let us first look at the exact wording of Smith:

> When the quantity brought to market is just sufficient to supply the effectual demand and no more, the market price naturally comes to be either exactly, or as nearly as can be judged of, the same with the natural price. The whole quantity upon hand can be disposed of for this price, and cannot be disposed of for more. The competition of the different dealers obliges them all to accept of this price, but does not oblige them to accept of less. The quantity of every commodity brought to market naturally suits itself to the effectual demand.[122]

Note the use of the adverb "naturally." To Waterman, what is at stake here is a teleologically conceived nature. According to Smith, the "natural price, therefore, is, as it were, the central price, to which the prices of all commodities are continually gravitating."[123] As Waterman points out, this Newtonian metaphor is a giveaway, because Smith also discusses how "natural causes"

[121] It should be noted that Waterman does not think Smith is influenced by scholastic theology. For an explicit rejection of Smith as a scholastically influenced thinker, see A. M. C. Waterman, "The Changing Theological Context of Economic Analysis since the Eighteenth Century," *History of Political Economy* 40, no. 5 (2008): 121–42, https://doi.org/10.1215/00182702-2007-063.
[122] Smith, *Wealth of Nations*, 59.
[123] Smith, *Wealth of Nations*, 60.

may keep market price and natural price forever separate.[124] An example is when a piece of land—it may be a whole nation or a patch of farmland—due to inherent "natural" properties is unable to yield enough quantities of a good to meet demand at a price equal to the natural price. Clearly, "natural" has at least two meanings for Smith. Therefore, Waterman makes an analytical distinction between a teleological concept of nature, which he calls nature (1), and a "merely positive sense" that he calls nature (2).[125] The natural gravitation of market price to natural price is what Waterman calls natural (1), and the natural causes that obstruct this gravitation are natural (2).

As Waterman observes, Smith understands human nature to be caught between present folly and inherent but not fully realized wisdom. Nature's wisdom will prevail—individual self-interest will be guided to interlock in ways beyond human intentions to produce a more natural human order. This goes both for the political body and the market, though in different ways. Despite individual and institutional corruption, progress will occur through this natural process:

> "Nature" is almost always viewed teleologically in [*Wealth of Nations*]. [. . .] Smith's putative God/Nature does not merely wind up "the great machine" and leave it ticking, as the Deists were held to have believed. She continues to act in various ways, but always wisely and well, so as to make creative use of human folly and wickedness in ways that bring good out of evil.[126]

In Waterman's reading, the idea in *Wealth of Nations* is that vice is actively transformed into virtue.

One aspect of Waterman's argument is that Smith's *Wealth of Nations* could be seen as an Augustinian theodicy.[127] The comparison captures how Smith thought of the transformative dimension of human nature. However, in section "2.3.2 Gossen: Mathematical Economics and a Deist Theodicy," I will argue that a narrower definition of the concept of theodicy as a logical problem can shed light on aspects of the invention of the marginalist value theory. Theodicy in this narrower sense is defined as a rationalist solution to the problem of how an all-powerful and perfectly good creator God, such as the Christian God, could have created this world that is so harassed by evil.[128] Such theodicies tend to see good order as present in the world as it is. On the contrary, in

[124] Smith, *Wealth of Nations*, 63.
[125] Waterman, "Economics as Theology," 912.
[126] Waterman, "Economics as Theology," 918–19.
[127] Waterman's contention could be seen to relate to theologian John Milbank's claim that significant strands of the political economy that developed among the early modern Scots were theodicisical in nature, and that Smith fits that general picture. Milbank, *Theology and Social Theory*, 37–41. In Milbank, the term "theodicy" serves to distinguish the idea that public benefit arises from private interests in a spontaneous manner in Smith and others, from different notions of market order, in which order had to be established by force.
[128] For a discussion of logical or rationalist theodicies and their implications in the development of later political economy, see Paul Oslington, "Natural Theology, Theodicy, and Political

Smith's thought, markets can be seen to have the function to draw human nature into a process of transformation toward good order.

In relation to scholastic just price, I argued that commerce was perceived as caught between fallen and created nature. With Smith, instead, trade moves toward the theological pole of the salvation of the fallen human nature. To see what this entails in more detail, we need to return to the question of the ethical ramifications of commerce.

2.2.2 Interest, Vice, and Virtue

Let us turn to self-interest, the natural fuel of the market's ability to order itself. According to Waterman, "interest" occurs 557 times in *Wealth of Nations*, one hundred of which refers to the price of loans. The far more common use of "interest" is to mean the drive to improve one's conditions, and in this sense it's "a morally neutral term," or what Waterman calls nature (2).[129] Deirdre McCloskey, another economist interested in Smith, is of a different opinion. McCloskey argues that self-interest plays a positive role in virtue ethics for Smith. McCloskey notes that Smith criticizes his teacher Hutcheson in *Theory of Moral Sentiments* for supposing that mixing selfishness with benevolence would corrupt otherwise praiseworthy actions. But "[s]uch a specialized version of Christian love violated the propriety of a balanced set of virtues" for Smith.[130] Furthermore, according to McCloskey, what Smith calls benevolence is the virtue of charity.[131] If she is right, then the famous wording of Smith reverberates with theological considerations:

> It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.[132]

Many of the medieval thinkers would have agreed with Smith that charity cannot be the guiding norm of commerce. Justice is. In his overview of the virtue ethics of Smith, political scientist Ryan Patrick Hanley shows that Smith's problem with Hutcheson's teaching on benevolence was that it did not take into consideration the full range of human nature. In his moral philosophy, Smith aimed to accommodate self-interestedness. In the virtue of prudence, the natural drive of self-interest is tamed and put to good use. The prudent butchers, brewers and bakers contribute to a well-functioning society not due

Economy in Nineteenth-Century Britain: William Whewell's Struggle," *History of Political Economy* 49, no. 4 (2017): 575–606, https://doi.org/10.1215/00182702-4296317.
129 Waterman, "Economics as Theology," 913.
130 Deirdre McCloskey, "Adam Smith, the Last of the Former Virtue Ethicists," History of Political Economy 40, no.1 (2008): 59, https://doi.org/10.1215/00182702-2007-046.
131 McCloskey, "Adam Smith," 57.
132 Smith, *Wealth of Nations*, 16.

to their love for others, but due to their natural interest in exchange. But that does not guarantee that these people would not go too far in chasing profit. To Smith, justice is the pillar of society. "On such grounds Smith insists that justice, unlike the other virtues, may be extorted by force—one of the very few instances of legitimate coercion in Smith . . ."[133]

Of further importance is that the "interest" of the butcher, the brewer, and the baker, is not exclusively a matter of self-interest. Eugene Heath makes helpful distinctions in Smith's uses of terms like "egoism," self-love, "selfish passions" and "self-preservation." According to Heath, self-love is problematic to Smith, because it leads to misconceptions of the self and the setting of wrong priorities. But "interest," the wish to improve one's condition, is natural, or natural (2) in Waterman's vocabulary, and potentially constructive. "There is no reason to assume that this desire is narrowly self-interested"—it may relate only to the self, or the desire may be "grounded in the well-being of others."[134] What Heath helps us recognize is that Smith's "interest" is not necessarily individualistic. If I want to feed my family that does not make me an egoist, but it does make me an interested party in trade.

In this section, the argument is twofold: first, that there are significant structural similarities between just price doctrine and Smith's dialectics of natural price and market price. The interlaced complex of value, order, and competitive markets from just price theory remains in Smith's thought. Second, I argue that from a theological perspective, the teleological conception of the natural market order in Smith's thought relocates the complex of value, order, and competitive markets from the tension between creation and the Fall, to the tension between the Fall and salvation. The question is no longer whether the motive to make profits could be harnessed for good, or whether it is sinful or natural. Instead, this motive has become the driving force in an ordering process that goes beyond these drives. "Nature" works for the good in and through the order and disorder of this world.

That means that the role of divinity in commerce is changed, even increased, because trade no longer takes place under the precipice of sin but is a locus for the Deity's activity. This reading of Smith fits Hengstmengel's observation: "instead of desecrating the economic domain and freeing it from deeper meanings, [economic providentialism] more than ever before granted God a role in it."[135] Yet, Hengstmengel also shows that the theological meaning of this notion was evacuated over time, so that divine order became synonymous with natural and social order.

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133 Ryan Patrick Hanley, "Adam Smith and Virtue," in Berry, Paganelli, and Smith, *The Oxford Handbook of Adam Smith*, 229. Hanley goes through the full range of Smith's virtues, and among other things distinguishes between benevolence and beneficence—what McCloskey identifies with charity in Smith is most likely both.

134 Eugene Heath, "Adam Smith and Self-Interest," in Berry, Paganelli, and Smith., *The Oxford Handbook of Adam Smith*, 254.

135 Hengstmengel, *Divine Providence*, 204.

Something should be said as to how the overarching argument of the chapter is faring. Value, order, and competitive markets were tightly knit together in just price theory, and remained, though reconfigured, in Smith. In both cases, value is tied to order and thus to cosmology. Waterman writes of the paragraphs from *Wealth of Nations* on natural and market price: "These paragraphs in *Wealth of Nations* constitute the primordial account of the existence, uniqueness, and stability of market equilibrium in economic analysis."[136] Waterman does not consider Smith to be influenced by scholastic thought, and so he does not discuss the possible relation between Smith's market equilibrium and the value theory that originated with Olivi and travelled through the centuries to Smith's teacher Hutcheson. In any case Smith's primordial idea of market equilibrium would become central to the market economy.

2.3 The Marginal Revolution: Value, Mathematics, and Mechanics

According to the standard narrative of the marginal revolution, the marginalists turned the classical understanding of value on its head. Instead of understanding value as deriving primarily from production input, the marginalists began with the question of how much things are worth to people. We already know that a supply and demand theory of value predates the marginalists by centuries. But they did change the playing field significantly in some important respects, not only by developing the analytical tool of diminishing marginal utility, but from a theological perspective as well.

This section's argument will be, first, that the complex of value, order, and competitive markets remains in marginalism, and second, that the problem of sin disappears from view. Insofar as marginalism was theologically argued, it was in the shape of a deist theodicy that understood the present world to be the best of all possible worlds, if only the laws of the market were given free rein. However, I begin by turning to a marginalist that hardly says a thing about theology: Stanley Jevons (1835–1882). Jevons did not think of his own system of thought in terms of theology. Yet, I will argue that there is an implicit worldview in his value theory that can only be explained by recourse to the thought structure we would find in providential deism: a clockwork universe, ruled by rational and eternal laws.

2.3.1 Jevons and the Subjective Theory of Value

On the first page of *The Theory of Political Economy*, Jevons states: "Repeated reflection and inquiry have led me to the somewhat novel opinion, that

[136] Waterman, "The Evolution of 'Orthodoxy,'" 328.

value depends entirely upon utility."[137] Jevons contrasts this opinion with the labor theory of value. Then: "It is clear that Economics, if it is to be a science at all, must be a mathematical science. There exists much prejudice against attempts to introduce the methods and language of mathematics into any branch of the moral sciences."[138] We are still at a historical moment when economics was not yet mathematized, nor separated from what we would now call the discipline of ethics. Jevons build his economic theory on the moral philosophy of utilitarianism. So, how can a theory of value that rests on utility and utilitarianism enable mathematization of the moral sciences? What would be the data points of a moral philosopher? Jevons recognizes such skepticism. But he boldly suggests that all the records of all the transactions in the country, in the world, constitute the numerical data of a mathematized moral science:

> We can no more know nor measure gravity in its own nature than we can measure a feeling; but, just as we measure gravity by its effects in the motion of a pendulum, so we may estimate the equality or inequality of feelings by the decisions of the human mind. The will is our pendulum, and its oscillations are minutely registered in the price lists of the markets.[139]

Jevons argues that when different pleasures or pains are compared, and found to be equal or almost equal, we are at a threshold—his theory of quantification concerns the decisions made on these margins. The crucial moments are the ones when we have bought enough bread to not be hungry anymore, and are considering whether buying more will generate more pleasure than spending our money on something else: "The theory turns upon those critical points where pleasures are nearly, if not quite, equal."[140] This weighing is an internal affair to one individual, the pendulum of the will swayed internally by unknown forces. But Jevons is not interested in the singularity of me or you: "though the theory presumes to investigate the condition of a mind, and bases upon this investigation the whole of Economics, practically it is an aggregate of individuals which will be treated."[141] Jevons uses the rise of the price of sugar and its effects on consumption as an example. Due to the complexities in the disposition and situation of every individual, it is likely that a myriad of different responses to this rise would occur. But on the general level consumption would probably go down, indicating the presence of a law possible to formalize. It is the detection of such laws that Jevons is after.

In Jevons's version of utilitarianism, which rests on Jeremy Bentham (1748–1832), pleasures and pains weighed against one another can be found at different levels. At the most basic level comes a man's physical needs. But

[137] William Stanley Jevons, *The Theory of Political Economy*, 3 ed. (London and New York: MacMillan and Co., 1888 [1871]), 1. Italics in the original.
[138] Jevons, *The Theory of Political Economy*, 3.
[139] Jevons, *The Theory of Political Economy*, 11–12.
[140] Jevons, *The Theory of Political Economy*, 13.
[141] Jevons, *The Theory of Political Economy*, 14–15.

if “the claims of a family or of friends fall upon him, it may become desirable that he should deny his own desires and even his physical needs their full customary gratification.”[142] Furthermore, the welfare of whole populations is more important still. Yet, at bottom, we find the individual. Economists deal with this most basic level: “It is the lowest rank of feelings which we here treat.”[143] That is, the economic man is taken to be self-interested. This is the point when what Charles Taylor calls “the buffered self” enters into the equations of value theory. In Jevons’s understanding, the needs of other people may become a moral claim on an individual, but it does not shape the individual. Personal relations may be recognized to come with moral duties to which one must respond, but they do not make up the individual’s needs and wants. These most basic needs and wants at the individual level are the concern of economics. Economics deals with individual units of the aggregate, not with persons engaged in relations of different kinds.

The commodity is defined by Jevons in relation to utility. Utility is “the abstract quality whereby an object serves our purposes, and becomes entitled to rank as a commodity.”[144] Utility is not inherent in such objects or services: “It is better described as *a circumstance of things* arising out of their relation to man’s requirements.”[145] Utility can rise or fall depending on the circumstances. Jevons distinguishes between total utility and degree of utility. The total utility of food is that it is necessary for me to eat to stay alive. But each “unit” of food can rise or fall in importance or esteem depending on my situation. Jevons’s interest is the final degree of utility—which later became known as marginal utility—“as meaning the degree of utility of the last addition, or the next possible addition of a very small, or infinitely small, quantity to the existing stock.”[146] During famine, the last added unit of food will be of huge importance; but if I have plenty, I may skip adding more food to the stock and begin to save up for a diamond. It is this potential to fluctuate which makes the final degree of utility so interesting to Jevons. The analytical distinction between total and marginal utility is why the marginalists are understood to have been the first to solve the value paradox. If water abounds, its marginal utility is zero, but the last unit of diamond is worth almost as much or the same as the first. The concept of degrees of utility works as a matrix to understand prioritization, and how prioritizing affects the exchange of commodities.

Value is based on utility to Jevons. He is not so fond of the concept of value, though. If it is to be used, one must be aware that exchange value is “not an object at all, but a circumstance of an object. Value implies, in fact, a

[142] Jevons, *The Theory of Political Economy*, 25.
[143] Jevons, *The Theory of Political Economy*, 27.
[144] Jevons, *The Theory of Political Economy*, 38.
[145] Jevons, *The Theory of Political Economy*, 43. Italics in the original.
[146] Jevons, *The Theory of Political Economy*, 51.

relation; but if so, it cannot possibly be *some other thing*."[147] Jevons's theory is called a subjective theory of value because he claims value hinges upon subjectively perceived degrees of utility; on the subjective evaluation. The individual evaluation in the individual transaction becomes the conceptual pivot for his theory. This is similar to, and yet a world apart from, Smith's understanding of the relationship between market price and natural price. For Smith, market price would naturally gravitate toward natural price due to individual evaluations of how to best satisfy their interest. But whereas natural value had to be explained in a complicated manner in classical economics, accounting for all kinds of production costs, the marginalists could achieve an ingenious simplification. The marginalists dropped the question of natural price altogether. The notion of diminishing marginal utility is about economic behavior at large. Calculations of marginal utility can be made whether you produce or consume, sell or buy.

I have already hinted at the similarity between what Taylor describes as providential deism and Jevons's system. We may with Margaret Schabas's help discern a bit more of the ideas associated with deism in Jevons's context and thought. Schabas notes that during the time of the marginal revolution, mathematics was "comprised of geometry, algebra, and the calculus. In England the subject was usually taught in its 'mixed' rather than 'pure' form, that is, within the context of problems in the physical sciences."[148] This means that Newtonian physics would have made up much of the idea of what constituted mathematics. In order to calculate human behavior, one had to conceive of humans along the lines of Newtonian physics. As Schabas underscores, Jevons does so to a remarkable degree in his notion of the relation between individual transaction and aggregate market price.

According to Newton's system, every particle in the universe attracts every other particle, and so the real dynamics of gravitational bodies is exceedingly complex. But in classical mechanics, as Jevons was aware, it is legitimate to isolate two bodies to calculate their interaction. This simplifying manipulation goes against the principle of gravity but allows for an expanded understanding of it. When you insert a third body into the calculation, the gravitational interaction becomes so complex that the problem has no general solution yet. That problem is known as the three-body problem. But knowing how just two bodies interact is enough to use the results to reconstruct more complex systems. Jevons discusses the three-body problem, understanding it to in principle be present also in human interaction:

> If we are to apply scientific method to morals, we must have a calculus of moral effects, a kind of physical astronomy investigating the mutual perturbations of individuals. But as astronomers have not yet fully solved the problem

[147] Jevons, *The Theory of Political Economy*, 77. Italics in the original.
[148] Margaret Schabas, *A World Ruled by Number: William Stanley Jevons and the Rise of Mathematical Economics* (Princeton, NJ: Princeton University Press, 1990), 33.

> of three gravitating bodies, when shall we have a solution of the problem of three moral bodies?[149]

Jevons was aware that problems such as the three-body problem could not be easily circumvented, and to him they humbled the scientific enterprise. But as Schabas links parallel lines of reasoning in different texts of Jevons, she argues that he nevertheless uses the same simplifying principle in economics as one would have applied in Newtonian physics. She writes that to Jevons, "[j]ust as physicists construct a many-bodied system from separate two-bodied systems, so economists can construct a market out of the interactions of pairs of traders."[150] That is how Jevons can claim the following: "We have hitherto considered the Theory of Exchange as applying only to two trading bodies possessing and dealing in two commodities. Exactly the same principles hold true, however numerous and complicated may be the conditions."[151]

From a theological perspective, much could be said about the atomistic anthropological assumptions of Jevons. But my aim here is limited to underlining the implications of Jevons's mechanistic worldview. According to Schabas, Jevons envisioned that "[l]ike its counterpart in physics, the new system of economic mechanics would be reductionist, universal in scope, and, above all, mathematical."[152] In this model, individual units, or moral bodies, interact in a way analogous to particles. That means that they must be imagined in pairs, two individuals entering a transaction, or otherwise the calculation becomes too complex to handle. Assuming that in every paired interaction a mutual utility calculation takes place, one can infer from this the systemic law—a law where value is the intersection between aggregate supply and demand. The subjective theory of value concerns this ordered and ordering interaction between bodies.

I have discussed Jevons's theory of value at length. At a first glance, Jevons moved in a different intellectual universe than that of Smith. Jevons embraced a mechanistic worldview that had little in common with Smith's integrated moral and natural philosophy. Still, a shared nucleus remains in the connection between the question of value, order, and markets. Value is still a matter of cosmology: here, in terms of Newtonian physics.

There are clear similarities between Jevons's theory of value and the deist framework, but no explicit references to a deity that created the order he's deciphering. But there was a forerunner to Jevons, who argued theologically for the same principles: Hermann Gossen (1810–1858).

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[149] William Stanley Jevons, *The Principles of Science: A Treatise on Logic and Scientific Method*, 2 ed. (London: Macmillan and Co, 1913 [1874]), 760.
[150] Schabas, *A World Ruled by Number*, 93.
[151] Jevons, *The Theory of Political Economy*, 114–15.
[152] Schabas, *A World Ruled by Number*, 96.

2.3.2 Gossen: Mathematical Economics and a Deist Theodicy

One must closely analyze Jevons to unpack his implicit theological ideas, but one only need glance at Gossen to notice his deist theological assumptions. In 1854, Gossen published his magnum opus, *The Laws of Human Relations*.[153] Nobody cared. It is said he was so disappointed about this lack of a reception that he burned all the copies of the book he could find.[154] But after Gossen's death, both Jevons and Léon Walras (1834–1910) stumbled across some of the few remaining copies. Neither of these two thinkers derived their insights from Gossen's work. The discovery of diminishing marginal utility was developed independently by all of these men. But both were looking for precursors to legitimate their projects. And both found one in Gossen. Philippe Steiner writes that once "Gossen had been taken in hand by these godfathers he came to the attention of mathematical economists, and then economists in general, especially for his demonstration of the laws of economic behavior [. . .]."[155] Those laws of economic behavior and their motivations are of utmost importance here.

According to Steiner, Gossen thought human beings are part of a good natural order. Each individual naturally maximizes pleasure, including the voluntary maximization of work, provided that by this effort one obtains the pleasure one seeks. In an economy where individuals are free to follow their nature, the productive output of humanity will increase, so that, as Gossen puts it, "the entire quantity of means of enjoyment produced by the human race, and the corresponding quantity falling to each individual, reaches its maximum. Then there is nothing further wanting in the world to make it a perfect paradise."[156] If we compare this to my claim that Smith situates the order in markets in the context of salvation of the fallen, that is, of nature transforming the present vice and folly into prosperity, Gossen dropped the issue of the Fall altogether. To Gossen, human nature is not corrupted. On the contrary, the key to paradise rests in the natural drive to self-interested utility maximization. Egoism is now a tool for God's order:

> In its beautiful fashion did the Creator know how to remove the obstacle that egoism seems to oppose to the welfare of society and to bring about through this egoism exactly the opposite; *He made egoism the sole and irresistible*

[153] The book remains scarcely read. It was only translated to English in 1983: Hermann Heinrich Gossen, *The Laws of Human Relations and the Rules of Human Action Derived Therefrom*, transl, Rudolf C. Blitz (Cambridge, MA: MIT Press, 1983 [1854]).
[154] See e.g Mark Blaug, *Economic Theory in Retrospect*, 5th ed (Cambridge: Cambridge University Press, 1997 [1962]), 309.
[155] Philippe Steiner, "The Creator, Human Conduct and the Maximisation of Utility in Gossen's Economic Theory," *European Journal of the History of Economic Thought* 18, no. 3 (2011): 354, https://doi.org/10.1080/09672567.2011.588000.
[156] Gossen, quoted in Steiner, "The Creator," 357.

> *force by which humanity may progress in the arts and science for both its material and intellectual welfare.*[157]

Gossen formulated two laws of economic behavior: diminishing marginal utility, and the equalization of marginal utilities to generate maximum pleasure or utility. The first law means that for every loaf of bread one buys, the last unit would be less useful up to the point where one will not buy it. The second law means that if one also wanted butter for one's bread, one would weigh the loaf against the butter so that the last unit of bread was equally useful as the last unit of butter. These laws together mean that one always uses one's money so as to maximize utility.

The existence of these two laws was theologically motivated for Gossen. But Gossen's formulation of the laws also had an intrinsic relation to the then newly discovered mathematical techniques for finding *extrema*. Steiner claims that if one is to relate Gossen's laws about human behavior to mathematics, one needs the theories of Gottfried Wilhelm Leibniz (1646–1716). Steiner links Gossen's groundbreaking mathematization of trade to Leibniz's *Theodicy* and *Monadology.*

> Confronted with the classical problem of evil existing in a world created by an infinitely good and far-seeing God, Leibniz explains that, among the infinity of possible worlds that God could create, there is one where evil was minimised for the sake of the good produced according to a small number of general laws, without God being obliged to intervene through miracles. According to Leibniz, this theological problem is similar to the search for the maximum (or minimum) of a function.[158]

In this quotation, Steiner claims that Leibniz was confronted with the classical theological problem of evil, but it's worth noting that Leibniz could be said to redefine the problem in logical terms. Leibniz is often claimed to have coined the term "theodicy," and it is in Leibniz's conceptualization of the problem that it takes on the strict logical meaning. Here, the theodicy is a defense of the logical possibility of an almighty and perfect creator God in the face of the existence of evil. Leibniz's theological innovation was intrinsically related to his mathematical discovery: his invention of the mathematical tools of integral and differential calculus could solve the problem of evil in the logical sense, as described by Steiner. According to Steiner, the same rationality that in the *Theodicy* governed God also governs men in Leibniz's *Monadology*. To Leibniz, the mathematical tools of integral and differential calculus had an intrinsic connection to metaphysics. According to Steiner, Gossen, in the same spirit, used the integral and differential calculus as a matrix to understand human behavior to be following utility-maximizing laws. That means that Gossen's

[157] Gossen, quoted in Steiner, "The Creator," 357. Italics in the original.
[158] Steiner, "The Creator," 367.

economic theory is a theodicy too. His Creator is imperfect neither in might nor in goodness, but the evils of this world are due either to social restraints on the natural laws of human behavior, or the tradeoff that comes with maximum good; or even, as with egoism, a vehicle for good.

Gossen's laws made possible the application of differential and integral calculus on human behavior, which enabled registering the value of evaluations. When Gossen realized that differential and integral calculus could be applied in economics, given that the individual human being and humanity as a whole could both be conceived of as utility maximizer, he could grasp value in a new and more exact way. In brief, we again have the complex of value, good order, and competitive markets, now in the form of a rationalist theodicy.

From a theological perspective something decidedly new happened with marginalism. Human nature was no longer corrupted, and one could solve the question of evil with a correct interpretation of behavioral laws. When self-interest was freed from social restraints, that would result in the best possible world. Trade and the subjective notion of value had undergone a theological transformation from fundamentally connected to sin, to being the road to paradise. The simultaneous transformation and continuity is striking. The church fathers knew supply and demand played a role in setting prices on markets. But their investigation of this phenomenon halted at a psychological analysis of desire, because to them, the desire for inutile material things such as gold or diamonds over necessities was a sign of a distorted rationality, of original sin. At the far end of this distortion, idolatry loomed. Around fifteen hundred years later, the theological perspective on the value-determining nature of desire is entirely reversed. The reversal finds its emblematic expression in what I have called Gossen's theodicy: it is the drive towards self-interested maximization that will provide the impetus to set humanity toward the paradise the creator intended. Marginalist rationality formed the theoretical spinal cord of the market economy. I will analyze contemporary theological texts in chapters three through six in relation to this matter. But now it is time to turn to twentieth-century mainstream economics.

2.4 Twentieth-Century Mainstream Economics

Mainstream economics is also called orthodox economics, which may cause a theologian to think about the religious meaning of orthodoxy. Though orthodox economics has not been defined by normative councils or authoritative organs that establish creeds or orthopraxis in the way orthodox religions often have, "orthodox" still has something of the same ring in both cases. Orthodox is often explained by contrast with what is heterodox. One can do so in economics, by contrasting marginalist value theory, which is orthodox, with a labor value theory, which is commonly viewed as heterodox. Another similarity is the forces of "doctrinal adhesion." Mainstream economics is not mainstream because it has been absolutely proven—it is perfectly rational to be heterodox, it is just not as common. The mainstream model is mainstream because economists generally find it to be convincing enough, and for that reason, it is taught at universities throughout the world.

Waterman has argued for a minimalist definition of orthodoxy in economics, including only the presupposition of economics as a value-free science, and methodological individualism. The latter means that "all social phenomena are caused by and caused only by the purposeful actions of rational individuals."[159] On Waterman's account some schools that are not commonly considered mainstream are included in the orthodox, such the Austrian school and its strong emphasis on self-ordering *laissez-faire* economies. However, it is also clear that the intellectual who towers over orthodoxy or mainstream economics from the 1950s onward is Paul Samuelson (1915–2009).[160]

If one is to take a more common approach to economic orthodoxy—that is, the models and methods taught at universities world-wide—one finds the core of mainstream economics is formed by the neoclassical theory of the successors to the marginalists. The value theory whose intellectual history I have analyzed theologically remains securely lodged in mainstream economics. Until now, we have followed intellectual breakthroughs and precocious theoreticians. But now I want to understand the effect of those developments in present-day policymaking. When I next turn to Samuelson, I am not looking at his theoretical considerations and research, but to how he explains the standard model of the market economy to students. Since theology is no longer relevant to mainstream economics, the rest of the chapter will not contain a theological analysis in its own right. My main point will be to show how the once theologically conceived complex of value, order, and competitive markets remains in the contemporary market economy.

I will begin by introducing some central economic concepts of mainstream economics, and show that even at the level of introductory textbooks, theological themes surface. Next, I describe the theoretical construct behind free-market policies, the paradigmatic general equilibrium theory, and how central theoretical problems in that theory can be interpreted given the history that I have discussed. Finally, we will turn to a phenomenon central to life in the market economy: money.

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159 Waterman, "The Evolution of 'Orthodoxy,'" 326.

160 Waterman even refers to the "Samuelsonian shape" of orthodox economics in the twentieth century: "The Evolution of 'Orthodoxy,'" 339.

2.4.1 Price Mechanism and Equilibrium

Let us begin with the elementary building blocks of modern economics, using the textbook *Economics*, written by Samuelson and William Nordhaus (b. 1941), as a guide.[161] Samuelson and Nordhaus write:

> *[N]o single individual or organization or government is responsible for solving the economic problems in a market economy*. Instead, millions of businesses and consumers engage in voluntary trade, intending to improve their own economic conditions, and their actions are invisibly coordinated by a system of prices and markets.[162]

To Samuelson and Nordhaus, the market is not a place, but a form of social coordination and order. A market is defined as "a mechanism through which buyers and sellers interact to determine prices and exchange goods, services, and assets."[163] To determine price is one of the market's central functions: "A price is the value of the good in terms of money [. . .]. In addition, prices serve as *signals* to producers and consumers. [. . .] Prices coordinate the decisions of producers and consumers in a market."[164] We find here the nexus of value, good order, and competitive markets, in the form it has taken today. The market has become a "mechanism" that creates information and orders behavior.

In present-day economics, the concept of "opportunity cost" has become important to understand price formation. Samuelson and Nordhaus explain opportunity cost through different means, but they repeatedly reference Robert Frost's poem "The Road Not Taken." Frost "pointed to one of the deepest concepts of economics, *opportunity cost*. Because our resources are limited, we must decide how to allocate our incomes or time."[165] Opportunity cost is precisely "the road not taken," the course of action that is judged second best. This concept concerns the existential situation of choice. But for the economist, it has a specific meaning in relation to value theory. Every economic agent is assumed to weigh different opportunities against one another on the market and opt for one. At the aggregate level, such decisions generate a market price. This is a developed version of Jevons's and Gossen's subjective value theory. However, Samuelson and Nordhaus underscore that price cannot cover everything of importance to human beings: "in economics we always need to 'pierce the veil' of money to examine the *real* impacts of alternative decisions."[166] A real-world example is given in the question of whether to open a gold mine near Yellowstone National Park:

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161 This is one of the most widely used introductory textbooks in economics. It goes through the fundamentals of economics in an uncontroversial and standardized way. The equivalent explanations can be found in any given textbook.
162 Samuelson and Nordhaus, *Economics*, 26. Italics in the original.
163 Samuelson and Nordhaus, *Economics*, 26.
164 Samuelson and Nordhaus, *Economics*, 27. Italics in the original.
165 Samuelson and Nordhaus, *Economics*, 13. Italics in the original.
166 Samuelson and Nordhaus, *Economics*, 13. Italics in the original.

> The developer argues that the mine will have but a small cost because Yellowstone's revenues will hardly be affected. But an economist would answer that the dollar receipts are too narrow a measure of cost. We should ask whether the unique and precious qualities of Yellowstone might be degraded if a gold mine were to operate [. . .]. In a world of scarcity, choosing one thing means giving up something else.[167]

The opportunity cost of a decision is the "something else" that is given up. The fundamental premise is that human beings, individually and collectively, can and must make choices: that we have the freedom of choice and are limited in time and space. Samuelson and Nordhaus do not delve deep into the ontology or anthropology at the bottom of this assumption, but it is not only a matter of limited quantities of stuff. It concerns the spatiotemporal reality that makes up human life. "In a world of scarcity" we must make decisions, and insofar as those decisions involve money, we need to "pierce that veil of money." The human being is understood to be fundamentally economic in its nature.

At the same time that opportunity cost is a concept with existential dignity it also stands in relationship to price: "*In well-functioning markets, when all costs are included, price equals opportunity cost.*"[168] Samuelson and Nordhaus ask us to imagine that we go to the market to sell wheat. In a market that does not function well someone may agree to pay me an extraordinarily high price for the wheat, beating the next-best bid—the opportunity cost for the seller in this case—by a large amount. But on a well-functioning market there will be different and competing bids for the wheat and they will be close to equal—opportunity cost and price approach or equal one another. Price and opportunity cost are closely related when it comes to goods that appear on the market.

As Samuelson and Nordhaus illustrate with their Yellowstone example, not everything we value is commodifiable. This complicates the equation between opportunity cost and price. How may the non-monetary costs of opening a gold mine be measured? This crux means the wheat situation is more complicated than what it appeared to be at first glance. The production of wheat has environmental effects. Such effects might be called opportunity costs for society, in the concrete sense that they will be expensive in the long run. One conceptual tool that economists use to discuss such consequences is that of "externalities" or "spillover effects." "Externalities," Samuelson and Nordhaus write, "occur when firms or people impose costs or benefits on others outside the market place"; and when it comes to negative externalities, "[t]his is where governments come in. Government *regulations* are designed to control externalities like air and water pollution, damage from strip mining,

[167] Samuelson and Nordhaus, *Economics*, 13.
[168] Samuelson and Nordhaus, *Economics*, 140. Italics in the original.

hazardous wastes, unsafe drugs and foods, and radioactive materials." [169] Government regulations are essential to making costs count for the agents causing them. If a factory owner exposes his workers to dangerous conditions, he will, ideally, be held responsible and fined or imprisoned. This becomes his personal cost to bear in mind when evaluating different roads to take. This function of the government makes the market economy more efficient, Samuelson and Nordhaus argue. In the case of externalities—costs and benefits that are not measured on the market—we cannot trust the wisdom of aggregate individual rational choices. Government regulations are essential to an efficient market economy.

Samuelson and Nordhaus discuss the scenario of a perfectly efficient economy that is nevertheless morally unacceptable: "Even if the market system worked perfectly, it might still lead to a flawed outcome."[170] Why is this?

> The reason is that incomes are determined by a wide variety of factors [. . .]. The resulting income distribution may not correspond to a fair outcome. Moreover, recall that goods follow dollar votes and not the greatest need. A rich man's cat may drink the milk that a poor boy needs to remain healthy. Does this happen because the market is failing? Not at all, for the market mechanism is doing its job—putting goods in the hands of those who have the dollar votes.[171]

Samuelson and Nordhaus here note the problem of effective versus absolute demand that Smith already noticed. In their terminology: the market mechanism responds to dollar votes, to how much money people can pay and are willing to pay for something. If one has no money, one's evaluation does not enter the market mechanism. And the reasons for one's high or low income are not always just. Therefore, the market mechanism cannot solve a problem of unacceptably unfair income distribution. Such problems, they explain, must be addressed by politics. Political rule, even a strong state, is essential to the market economy.

Yet the very idea of the market economy is that "most decisions are made in the market place," a form of decentralized and self-balancing order that efficiently mediates disparate interests in a web of relations that spans the globe.[172] As we have seen, the notion of self-equilibrating systems goes back to scholasticism, and gained a firm foothold by the Enlightenment. Léon Walras was the first to conceive of a general equilibrium theory. It is a theory of the general balance in the interaction between supply, demand, and prices in the whole economy, as opposed to partial equilibrium that deals with a balance on a particular market. Walras modeled his theory on perfect competition. That meant perfect information, no transaction costs, and rational self-

[169] Samuelson and Nordhaus, *Economics*, 36. Italics in the original.
[170] Samuelson and Nordhaus, *Economics*, 38.
[171] Samuelson and Nordhaus, *Economics*, 38.
[172] Samuelson and Nordhaus, *Economics*, 8

interested individual agents constantly maximizing their marginal utility. Given this framework, supply and demand would have to continuously adapt to one another in a continuous trial-and-error process, resulting in perfect balance between supply and demand.

In Walras we find a formulation of the market as a form of social order, no longer a place for trade, but a mechanism that can organize human behavior. Walras's disciple, Vilfredo Pareto (1848–1923), worked out a definition of the perfect balance between supply and demand that has since been called the Pareto optimum. Pareto broke away from the use of utilitarianism that was common in economics at the time, and he simplified the subjective value theory by reducing questions of motivational drives to a question of "revealed preferences." If one chose x over y, then that is all Pareto needed to know. Pareto optimality is when no one can be made better off without making someone else worse off. In connection to Walras: the price located at the balance point between supply and demand on perfectly competitive markets is the Pareto optimum.

In the 1950s, the general equilibrium theory was proven by twentieth-century economists Kenneth Arrow and Gerard Debreu. Proven means they worked the system out mathematically: "Here proofs of the existence of an equilibrium are given for an *integrated* model of production, exchange and consumption."[173] Production, exchange and consumption are integrated into one model, where the basic building blocks are producers, consumers, commodities and prices. This is the theory of the economy that has formed the backbone of mainstream economics ever since. While the general equilibrium theory has a broad span, it works from the economy's smallest constituents. General equilibrium theory is microeconomics rather than macroeconomics.

While the general equilibrium theory was proven in the 1950s, since then it has not fared well. A number of flaws have been found in it. In the introduction to their *Flawed Foundations* from 2004, economists Frank Ackerman and Alejandro Nadal claim that to a researcher, the general equilibrium theory is untenable, and is widely recognized to be so. Yet it is still in wide use, for two reasons: first, there is no alternative integrative model of the whole economy for researchers, which means that it continues to be used; and second, general equilibrium theory dominates policymaking. "Ironically, the triumph of free market economic policies during the past two decades has coincided with the recognition by economic theorists that the most general theoretical models of the market economy were leading to discouraging results."[174] The increasing implementation of free market policies results from the unfortunate truth that

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[173] Kenneth J. Arrow and Gerard Debreu, "Existence of an Equilibrium for a Competitive Economy," *Econometrica* 22, no. 3 (1954): 265. Italics in the original.
[174] Frank Ackerman and Alejandro Nadal, "Introduction: Under the Flawed Foundations," in *The Flawed Foundations of General Equilibrium Theory: Critical Essays on Economic Theory*, ed. Frank Ackerman, Alejandro Nadal, and Kevin P. Gallagher (London and New York: Routledge, 2004), 2, ProQuest Ebook Central.

results found by researchers have not been followed by economists at large, because the general equilibrium theory continues to be taught in university classrooms.

Consequently, most economists continue to believe "that general equilibrium has been definitively proved to lead to the best of all possible outcomes. This conclusion, the optimality of general equilibrium, does not depend on any information about any real economy."[175] To the present study, this is a critical point: there is no solid economic theory to look to when I discuss the relationship between contemporary Christian theology and market. The idea of the whole economy as self-balancing has not been shown to work, but this idea is nevertheless implemented in market economies.

Money is one example of the problems with general equilibrium theory that is discussed in *Flawed Foundations*. According to economist Carlo Benetti, the real-world existence of money is an unexplained premise in general equilibrium theory, what a philosopher would call an "aporia." As Benetti explains, the value theory of general equilibrium theory presupposes trading individuals and commodities that are abstracted so as to put money aside. Equilibrium prices are expressed as exchange ratios, for example between shoes and wheat. Expressing this exchange ratio in a common currency comes only as a second step. But Benetti shows first, that the possibility of reaching an equilibrium requires a medium of exchange—money—which cannot have a use value of its own; and second, that the integration of money and value theory cannot be accomplished within the methodological framework. He concludes: "On theoretical as well as historical grounds, no (perfect or imperfect) market system can exist without a social agreement on the use of money."[176] Benetti's conclusion is of high interest to me for two reasons. First, he pinpoints a crucial weakness in the value theory of general equilibrium theory with direct bearing on its implication in real economies. That is, for any trade beyond pairwise barter to take place, money as a medium of exchange is needed, but money cannot in itself be subjected to the utility calculations of the agent. That means money cannot spontaneously develop from the market situation. Second, and corollary to the first, money is created by an authority external to the self-balancing market. Logically, the market must be secondary to the institution that issues money:

> Thus, the supposedly self-regulating market economy is revealed to be crucially dependent on a monetary *deus ex machina*: the inescapable and seemingly arbitrary intervention by the government to create and regulate the supply of money. Considerable theoretical effort has been devoted to retelling the

[175] Ackerman and Nadal, "Introduction," 2.
[176] Carlo Benetti, "Money and Prices: The Limits of the General Equilibrium Theory," in Ackerman, Nadal, and Gallagher, *Flawed Foundations*, 66.

> story in a manner that would eliminate the need for this oddly activist political intrusion into the world of laissez-faire.[177]

Benetti's argument is mainly mathematical—if anything it is an immanent critique of the mathematics of general equilibrium theory. But it has necessary historical implications. The market economy is neither natural nor spontaneous; as a form of social order it is entirely dependent on a complex division of labor that needs to be in place before the market economy can begin to thrive. In light of Benetti's conclusions, the last section of this chapter concerns two different monetary theories.

2.4.2 Money

There is a basic dividing line between two conceptions of money. One can understand money as originating either as a commodity, or as a credit relation. In the commodity theory, trade started with barter. But barter without money has significant disadvantages, mainly the problem of the coincidence of wants. Say I have more fish than I can eat, but I want some apples. The chance that I will run into a person who wants fish but has too many apples is slim. This inconvenience, according to the commodity theory of money, led to the evolution of the first commodity money. Primordial money has taken many forms, such as cattle, stones, dried fish, and so on. All of these have their disadvantages in exchange: things go bad, are difficult to move around, or are not divisible. When precious metals began to be used as money, things improved. Finally, money left the world of commodities when paper money was introduced.

One of the early marginalists, Carl Menger (1840–1921), argued for the existence of money in this way. He begins by pointing out the difficulty of conducting barter:

> Even in the relatively simple and so often recurring case, where an economic unit, A, requires a commodity possessed by B, and B requires one possessed by C, while C wants one that is owned by A—even here, under a rule of mere barter, the exchange of the goods in question would as a rule be of necessity left undone.[178]

In the inconvenient situation described by Menger, precious metals become increasingly salable because they have the properties necessary to store and measure value and thus also to mediate exchange. Because of a positive circle of salability and desirability, metals increasingly become money. Out of this

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[177] Benetti, "Money and Prices," 54.

[178] Carl Menger, "On the Origin of Money," *The Economic Journal* 2, no. 6 (1892): 242, https://www.jstor.org/stable/2956146. Note that the spelling of the name is changed to "Karl" in the journal article. To find the article, it may be necessary to search for "Karl Menger." However, it was Carl Menger, the famous marginalist, who wrote the article.

circle money developed as a technology that circumvented the cumbersome barter problem of the coincidence of wants.

The idea is that the commodity in question becomes money because it has a use value distinct from money as a technological innovation, otherwise it would never be high in demand in the first place. Samuelson and Nordhaus put it in the following terms: "These forms had *intrinsic value*, meaning that they had use value in themselves. Because money had intrinsic value, there was no need for the government to guarantee its value [. . .]."[179] The use value of the money matter explains why no arrangements were needed to create and uphold money as an institution. Or rather, it was not an institution. Menger's argument, with his units A, B, and C, brings forth the tacit assumption that people are not so much group animals who are necessarily bound to one another over time, as they are individuals who act rationally and self-interestedly. Out of such atomistic interaction, social phenomena arise. In a commodity theory of money, the origin of money is the exchange situation, tacitly understood in non-political or pre-political terms. In Menger's words: "Money has not been generated by law. In its origin it is a social, and not a state-institution. Sanction by the authority of the state is a notion alien to it."[180]

If money originates from barter and is a commodity, then credit is secondary to coins—credit and money are separate. In a credit theory of money, the logical and historical order is reversed. One of the earliest proponents of a credit theory of money was Alfred Mitchell-Innes (1864–1950), in his 1913 article "What is Money?"[181] His argument was that all historical evidence available pointed in a different direction than that of the commodity theory: social relations of credit were historically prior to coinage. There was clear evidence of accounting systems that kept track of credit relations before the inception of coins, and in most economies such systems continued for a long time parallel to exchange with coins. According to Mitchell-Innes, the more plausible explanation was that the coinage of metals developed to keep track of an increasingly complex system of credit relations.

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[179] Samuelson and Nordhaus, *Economics*, 459. Italics in the original.

[180] Menger, "On the Origin of Money," 255.

[181] For a reprint of Mitchell-Innes articles on the subject and an updated discussion both of the evidence in his favor, and the relationship between his theory and the state theory of money launched by Friedrich Knapp, see L. Randall Wray ed., *Credit and State Theories of Money: The Contributions of A. Mitchell Innes* (Cheltenham, UK and Northampton, MA: Edward Elgar, 2004). When I refer to Mitchell-Innes argument below, I draw on the reprints in that book: A. Mitchell Innes, "What is Money?" in Randall Wray, *Credit and State*, 14–49; A. Mitchell Innes, "The Credit Theory of Money," in Randall Wray, *Credit and State*, 50–78. There is some confusion regarding his name. As Randall Wray and Stephanie Bell note in their introduction, Mitchell-Innes did not use the hyphen of his family name in his publications. L. Randall Wray and Stephanie Bell, "Introduction," in Randall Wray, *Credit and State*, 4. For that reason, he is sometimes referred to as Innes, for example in John Maynard Keynes, "What is Money?", *Economic Journal* 24, no. 95 (1914): 419–21. If one does a search on him, his name will most often appear as A. Mitchell-Innes. For that reason, I reference to him as Mitchell-Innes in the running text. In the bibliography, I cite his name as Mitchell Innes because of the sources I use.

Mitchell-Innes also argued that the value of the metal used in coinage has historically never been relevant to the value of coins in exchange. The market value of a coin's metal was usually lower than the nominal value of the coin. This explains how coins could continue to circulate as coins. If the "intrinsic" value of the metal was equal to the nominal value of the coin, coins would have been extracted from trade enough to disturb the quantity of money in circulation. According to Mitchell-Innes, what made the coins circulate was that they were acceptable as payment. They were acceptable as payment because the authorities issuing the coins used them as a unit of account, most importantly in taxation. Credit relations have always enabled trade; with an increasingly complex society, a unified way of keeping track of credit relations was enforced by the establishment of an authority issuing a currency as a unit of account and means of payment.

In a credit theory of money, credit relations constitute the moneyness of money, and credit made division of labor and trade possible. Mitchell-Innes had the historical evidence on his side in the beginning of the twentieth century, and the evidence for the credit theory has only increased since.[182] Despite the historical evidence, the credit theory of money has had no influence in mainstream economics. The speculative side of this argument has also been developed and may be narrated as follows: the situation Menger assumed—that the isolated units A, B and C randomly meet and try to find a way to barter their goods—is so cumbersome that it seems a miracle trade ever gained momentum. It is very unlikely the whole apparatus required for coinage—a societal division of labor sophisticated enough to conduct mining, an institution trusted with doing the minting, etcetera—could have evolved on the basis of such rarely accomplished barter. The credit narrative of money is more feasible: it is not difficult to imagine communities where people specialized in different areas and conducted a "barter" stretched out over time. In other words, that people gave one another credit.[183]

All credit is not money: for it to become the kind of money we know, it can no longer depend only on personal trust but on trust in credit itself. For this to be possible, a centralized system must evolve. Credit must be counted and

[182] See the contributions that follow Mitchell-Innes's in Randall Wray, *Credit and State*. See also Ingham, *Concepts of Money*.

[183] That is, it's not hard to imagine A as a fisherman that knew B, the constructor of boats for the village, and that A promised B an amount of fish for years to come in exchange for a boat delivered this fall. The next step, to imagine that B promised some of the fish that would come from A next year to C, who was good at logging, in exchange for the timber to build the boat for A, is feasible and further increases the complexity of this economy. As societal complexity increased, aids for memory had to be developed so people could keep track of credit relations by means of physical objects that could change hands in newly struck agreements. B says to C: You give me timber, and I give you this "credit" which you may return to A and he will give you X amount of fish. With an increasingly complex network of credit relations, such symbols would have to become more refined. The aforementioned anthologies on money develop both the speculative side of the argument, and the historical and archeological evidence of such early systems of accounting. Randall Wray, *Credit and State*; Ingham, *Concepts of Money*.

kept track of for such a system to be trustworthy. Marketplaces evolve on the basis of such a system: "The clearing houses of old were the great periodical fairs, whither went merchants great and small, bringing with them their tallies, to settle their mutual debts and credits."[184] This observation regarding the historical development of marketplaces is strengthened by Benetti's mathematical critique of the general equilibrium theory. For Mitchell-Innes, then, a monetary economy is a complex network of promises or social obligations, and trust in those promises. It is a network of uniform and transferable credit claims, stabilized by a central authority which, when denominating in a particular unit of account the obligation to pay taxes, fixes a currency. Money is social, and enmeshed in systems of power and authority.

If Menger, Samuelson, and Nordhaus are correct, then money spontaneously evolves out of exchange processes that come naturally to human beings as individuals. The conception of money is tied to the conception of the human being as individual and to the conception of the market economy as a form of order that is in harmony with humanity as a species. And importantly for us: the explanation of the evolution of money is tied to the value theory that can explain why some objects of trade had a high and stable enough value to be able to function as money. In this theory, markets came before money.

If Mitchell-Innes is correct, people are social, and trust is a key element in trade. At a certain and rather early tipping point, the increasing complexity of division of labor and trade gave rise to authorities that exercised substantial influence over trade through taxation and minting. In that case, the political and the economic spheres are inseparable. The market order is a historical phenomenon, a specific form of political order. It can arise only when money is already at hand. Money as a social institution is not explained by recourse to the exchange ratio of the money matter. Instead, the exchange ratio of the thing that an authority "monetizes" is understood to be increased by becoming money.[185]

The question of the nature of money has the capacity to reconfigure the notion of the economic sphere and what economics should be about. It is an aporia in the value theory of the general equilibrium. And it is linked to the question of value. A standard definition of money goes as follows: money is a measure of value, a bearer of value, and a medium of exchange. Clearly, we need to keep an eye on money in relation to the problem of value in the analyses that follow.

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[184] Mitchell Innes, "What is money?", 35.

[185] Randall Wray states: "Contrary to orthodox thinking, then, the desirability of the money thing issued by the state was never determined by its intrinsic value, but rather by the nominal value set by the state . . ." L. Randall Wray, "Conclusion: The Credit Money and State Money Approaches," in Randall Wray, *Credit and State*, 245. Mitchell-Innes therefore argued that the gold standard amounted to great confusion and kept up gold prices, "to the great profit of the mine owners and the loss of the rest of mankind." Mitchell Innes, "What is Money?", 49. In Randall Wray's words: "The gold standard could only stabilize the price of gold, but not the value of money in terms of other commodities . . ." Randall Wray, "Conclusion," 249.

2.5 Conclusions

I have sketched the development of the subjective value theory and teased out the theological considerations present at crucial stages in this development. My claim is that a link was forged between value, order, and competitive markets in the scholastic just price doctrine which, while reformulated, nevertheless remains until twentieth century mainstream economics. In the last instance, the marginalist theory of value, central in general equilibrium theory and so in mainstream economics, is a theory of order. Mainstream economists no longer explicitly talk about the order of the world. But insofar as market price coordinates human behavior, the market economy makes up a social cosmos with a specific internal coherence centered on its value theory.

The above theological analysis of the history of value connects to the contemporary philosopher Giorgio Agamben's tracing of the concept of *oikonomia* in his book *The Kingdom and the Glory*. Agamben analyzes what he calls "economic theology," a paradigm of self-ordering processes. *Oikonomia*, he shows, retains this internal logic, from the Christian concept of the Trinity as an ungrounded perfect community between equal persons, to the early modern-conception of God's providence as submerged in the natural order of the world. Agamben does not engage value theory, and he focuses more on forms of governing than on economic theory. But that means that he is concerned with forms of social order. The present chapter may strengthen Agamben's overall point: value theory is a central cog in the machinery of "the economy."

In his appendix, Agamben writes that for the early modern thinkers he discusses, the divine government of the world so penetrates the depths of creaturely existence that divine and creaturely agency can no longer be distinguished. Human freedom realizes divine will, in a movement that annuls not only the distinction between the two, but thereby also annuls both divine will and human freedom: "At this point, theology can resolve itself into atheism, and providentialism into democracy, because *God has made the world just as if it were without God and governs it as though it governed itself* [. . .]."[186] In the light of the present chapter, the history of the subjective value theory seems a crucial node in how "theology resolved itself into atheism." In different ways, with Smith and Gossen, we saw that God governs the market in and through human desires. In Jevons, the market is similarly governed but without God. Whether God is postulated or not, the world is ordered the same way.

Let us sum up this chapter. I began by outlining the main developments of scholastic just price doctrine. I argued that it is theologically plausible as a balancing act between the pragmatic realization of the necessity and productivity of trade, and an older theological understanding of the desire for gems and gold as sinful, contrasted with the desire for God. Without rejecting the

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[186] Agamben, *The Kingdom and the Glory*, 286. Italics in the original.

older understanding of such a desire as subjective, just price theory could incorporate it into a theory of value that legitimated trade. Two considerations were crucial in this definition of legitimate trade: the definition of justice as the overarching norm for trade; and avarice as a sin against charity rather than justice. It is in this context that a theory of value that was intrinsically linked to competitive markets was developed. Trade was still seen as potentially problematic, in need of continuous interventions, and thus this value theory is suspended between the theological poles of creation and the Fall. Furthermore, we saw a direct line of influence from a central just price theory thinker, Peter of John Olivi, up to Adam Smith.

Next, I turned to what Lisa Hill calls a revolution in attitudes toward causality in the Enlightenment, expressed in the idea of the invisible hand. This revolution consisted in a turning away from preoccupations with rulers, both heavenly and earthly, toward the idea that spontaneous orders occurred due to an intelligent design of a cosmic order. In this section, we got a picture of a development toward explaining social processes by recourse to mechanisms inherent in creation, what Charles Taylor calls the immanent frame.

We then turned to Smith. I argued that there are significant structural similarities between just price doctrine and Smith's dialectics of natural price and market price, and that the crucial difference between them is that in Smith, this dialectic process is an occasion for the divine improvement of humanity rather than being a problem that needed to be contained. Second, I claimed that the cosmological connection between value, order, and competitive markets remains. From a theological perspective, the shift to the affirmative view of trade as an occasion for the transformation of human behavior relocates the problem of value to the locus of salvation.

Next, I analyzed the phase that led up to the consolidation of the science of economics as we know it. In this process, significant intellectual developments took place regarding value theory. I discussed two important theorists: Jevons and Gossen. Both aimed to apply mathematics to economic matters. Both went about this by outlining a minimalist anthropology, cutting off broader ethical considerations and keeping only the individual and his self-interest. This individual seeks to maximize his utility. With such an axiomatic anthropology, economic behavior could be calculated by mathematical tools available at the time. In terms of economics, the crucial shifts from just price theory to marginalism were a) the formal framework of diminishing marginal utility, and b) the general equilibrium theory: the market as a mechanism. In terms of theology, this means the order on marketplaces that had been discerned already by the church fathers but condemned, was now the good social order *par excellence*; Gossen's literal key to paradise. The problem of a fallen human nature is left behind.

In the last section, I turned to twentieth-century mainstream economics. I showed that the link between value, order, and competitive markets remains. The price mechanism orders human behavior in a market economy. I showed that the most rigorous form of this nexus of ideas, expressed in the general equilibrium theory, has been shown to be flawed. Yet, the model has guided free market policies for decades. I noted that money is an aporia in this theory, and concluded with a brief discussion of two rivalling accounts of money: the credit theory and the commodity theory. I argued that the problem of value is related to the question of the nature of money.

Taking the lead from my theological analysis of the history of value theory, we are now ready to identify what issues to focus on in the second part of this study. Over the next four chapters, I will analyze contemporary theological expressions of value as a cosmological problem. I will focus on the following subsets of the economic-theological constellation of value, order, and competitive markets that I have traced in this chapter: the capacity of subjective evaluations to produce good order; the existential dimensions of the concept of opportunity cost in relation to value and the price mechanism; the problem of evil in relation to value theory; and finally, the role of money in evaluative processes and exchange, and its relation to authorities and political agency. The theological texts I will analyze were chosen due to how they reflect these themes. The themes will not be analyzed separately, but they will be given different weight in the different chapters.

I will begin with focusing on the relationship between subjective evaluations and good order assumed by William Cavanaugh in *Being Consumed*. I will show that in connection to that assumption, a deep-seated contradiction regarding subjectivity in the church as the body of Christ surfaces. This will be the first indication that the cosmological problem of value remains in Christian theology in the twenty-first century.

3 Subjective Evaluations: Reading *Being Consumed*

This chapter is first of the four micrological analyses of this book. In these analyses, I will analyze how value as a cosmological problem is reflected in four contemporary theological texts that engage the market economy. As stated in the introduction, I will identify central isomorphisms in value theory between the market economy and Christian theology in these texts and analyze their theological implications. A brief comment on the micrological method is warranted here but will not be repeated in the subsequent close readings. The method is a strict form of immanent critique. That means that I focus on one text at a time; in this case, *Being Consumed* by William Cavanaugh. In order to make clear that I do not discuss Cavanaugh and his work in general, but only this particular book, I will reference the title *Being Consumed*, not Cavanaugh, with the page numbers in parentheses. This textual marker has no deeper theoretical meaning. It is a concrete way to signpost the methodological level at which I am operating, distinguishing visibly the micrological readings from the rest of the study. The same goes for the subsequent chapters—I have no intention to engage the broader theological work of Stephen Long, Albino Barrera, and Philip Goodchild. Instead, I analyze texts of critical relevance to my own project. In each case, I will focus on the principles that make up the internal thought structure of the book, and on contradictions in that structure. The principles and contradictions will be analyzed in terms of the problem of value, isomorphisms with the value theory of the market economy will be identified, and theological implications analyzed.

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Before the detailed analysis begins, we need a brief presentation of the characteristics of *Being Consumed*. Since an optimal summary is found on its first page, I begin by citing these opening words:

> Some Christians may be tempted to assume that economics is a discipline autonomous from theology. Many Christians, however, intuit that what we do with our money and our stuff should be directly informed by how we relate to God. God and Mammon are somehow contestants on the same playing field. Nevertheless, Christians of the latter kind tend to remain in a reactive posture. That is, we tend to take current economic realities as givens and then wonder

> what our stance should be when confronted by these givens. Are we for or against the free market? Should we not think of ourselves as consumers? Are we for or against globalization? How do we live in a world of scarce resources? In the four brief chapters of this book, I deal with these basic matters of economic life: the free market, consumerism, globalization, and scarcity. In each chapter I use Christian resources to try to change the terms of the debate. (vii)

A mere opposition, a "for or against" certain forms of economic organization, implies that these forms are then accepted as given. In *Being Consumed*, the aim is instead to go beyond the reactive critical posture, toward a vision of another kind of economy: a Eucharistic economy. The vision is one in which the flourishing of each person and of communities is the goal of every aspect of economic life. This endeavor is centered upon four economic themes: instead of arguing for or against the free market, the book contains a discussion of what true freedom is; the Eucharist is investigated as a source to think differently about consumption; the catholicity of the church is analyzed as something both global and local, universal and particular; and finally, it is argued that in Christ, scarcity is not the ultimate truth. In brief, the main aim of *Being Consumed* is not to target the market economy as a whole, nor modern economics, nor capitalism. Rather, it is to draw on Christian resources to make the reader rethink some of the fundamentals of the market economy. Thus far the overall thrust of *Being Consumed*. Let us now turn to the details.

3.1 Consumers and Producers

My point of departure is a place in the text where an unresolvable contradiction surfaces. In the middle of the discussion of the consumption of the Eucharist as a matrix for thinking about consumption and the economy in general, we find the following words: "According to Paul's famous image (1 Cor. 12), we are all members of the same body, the body of Christ. [. . .] The poor and the needy are not just objects for individual charity; rather, they are indispensable because they are part of our very body." (53) The argument goes on, stating that the consumption of the Eucharist is triple: the Christian person consumes God, is taken up into the body, which is then given out as food for the world. In the exploration of this theme, Matthew 25 is cited, the biblical passage in which Jesus says that at the end of time all will be judged according to how they treated one another in moments of need. Jesus says that when someone gives or denies help to someone, they give or deny help to Jesus himself. *Being Consumed* comments as follows: "What is truly radical about this passage is not that God rewards those who help the poor; what is truly radical is that Jesus *identifies himself* with the poor." (56, italics in the original)

On the one hand, the text claims that the ultimate subject of the body of Christ—Christ himself—identifies himself with the poor. On the other hand, it is clear that "we" are those with claims to ownership to relinquish; "they" are those without. Given Jesus's self-identification, it would make more sense if the poor were the "we" of the body. Instead, the poor are the "they," appearing to be rather distant limbs in the body envisioned here. This strange tension is internal to the line of reasoning as well as to the single sentence: "The poor and the needy are not just objects for individual charity; rather, they are indispensable because they are part of our very body." "They" are not objects, but they are indispensable—to whom? To "our" body?

The same contradiction occurs in several different contexts. For instance, when the Eucharistic economy is interpreted concretely in terms of how a Eucharistic subject should act to overcome "detachment" between human beings and between people and things, the following is stated: "The first step toward overcoming our detachment is to turn our homes into sites of production, not just consumption." (57) Two examples are given: baking bread and making music. It is argued that production is an outlet of creativity, that being productive helps us understand the work behind a commodity, and that it can furthermore shatter the feeling of being a passive observer of the world; productive and creative work can help us retrieve a sense of participation.

The phrase "turn our homes from sites of consumption into sites of production" indicates that many homes are by definition not addressed. It also fails to address the kind of productive activity that is often called reproductive—the work which women traditionally have performed. Arguably, caring for children, preparing food, or making one's home look nice, can be rewarding and creative work if one likes it and is not already exhausted.

Instead, the wording indicates that the consumer—a consumer with enough resources of time and money to be able to choose—can break loose from a sense of passivity to a sense of agency and participation. It is an open question whether a corresponding opportunity is present for, or even needed by, those who produce in their home. Is the producing and reproducing person already living the Eucharistic economy, or is she simply not addressed? Someone producing wheat on her family farm, her home literally being a site of large-scale production, presumably needs few lessons in understanding the work behind food, but her home is also, to an equally large degree as anyone else's, a site of consumption. In fact, most of us both produce and consume, whether in our homes or elsewhere. But it is as consumers that the text addresses us.

That we are addressed solely as consumers is also visible further down the same page: "Overcoming our detachment from producers is a daunting task when so much of what we need to know is hidden from our view. Nevertheless, there are ways to foster life-giving connections with the resources available to us." (57) Here, we see the assumption that the reader is not a producer. Furthermore, in the examples of life-giving connections that are mentioned in

Being Consumed, it also becomes clear that the projected reader is a comparatively wealthy consumer. The suggestions are to donate time and money, to consider where one places one's money, and to buy locally produced or Fair Trade products. Of these suggestions, no example is geared toward someone with significantly delimited resources of time or money. For example, the single mother working at the counter in the supermarket might have a hard time living up to any of the suggested "life-giving connections." As noted above: the projected reader is a wealthy consumer.

When this premise is identified, though, there is a further ambiguity regarding this wealthy consumer. Let us turn back to the admonition for us to begin to make things ourselves, as a step to overcoming detachment:

> [S]imple acts such as making our own bread or our own music can become significant ways to reshape the way we approach the material world. Making things gives the maker an appreciation for the labor involved in producing what he consumes. It also increases our sense that we are not merely spectators of life—for example, hours spent passively watching and listening to entertainment that others make—but active and creative participants in the material world. (57)

But why would making bread or music shake me out of my supposed lethargy more than tending the garden or preparing food already do? It is as though the reproductive labor that many of us perform is first out of the equation of *Being Consumed*, but then reinserted in the suggestion to make bread. The reproductive labor of child-rearing and taking care of the home is arguably precisely the same kind of productive activity. It is also the kind of unpaid labor that usually falls on the shoulders of women. Perhaps the "he" that needs to begin to appreciate "the labor involved in producing what he consumes" in the quotation is not a pronominal coincidence either. On the one hand, from the perspective of *Being Consumed*, people who are engaged in reproductive labor are rewarded in a very different way than the ordinary pecuniary way of wage-labor—namely, in gaining a sense of "active and creative participants in the material world." In that sense, the line of reasoning in *Being Consumed* could be said to give a certain dignity to activities that most often go under the radar. On the other hand, the text's silence regarding daily activities of the kind that the vast majority of the world's population, particularly women, engage in, reinforces the invisibility of reproductive labor.

The problem seems to be that the argument of *Being Consumed* largely pivots around the economic process of producing commodities for sale and consumption. It is as consumer that I am supposedly alienated from the commodity and the producer. In that sense, it is warranted to address readers as consumers since patterns of consumption have effects for producers. But if the detachment from producers can be overcome by turning my home into a place of production, for example by making my own bread, we see not only that the projected reader is not a producer, but also that the neat schema of producer-commodity-consumer is disturbed.

Let us return to our main focus, the contradictory tendency to objectify the poor with whom Christ himself identifies. Just after the suggestion that we begin to make our own bread, there are further suggestions for how to act to reduce the detachment from producers. Those suggestions are, as noted, to donate time and money, to invest money ethically and to consume locally-produced or Fair Trade products. These recommendations are in one way perfectly sensible, since for example Fair Trade products will have been produced under more humane working conditions and also with less environmental impact. But there is nevertheless a problem here. For the majority of Earth's human population, such behavior is simply not an option. To the extent that being a moral agent depends on one's patterns of investment and consumption, moral agency is circumscribed for many in our current economic system.

When the capacity for evaluation and the effectuating of it in the act of consumption are considered Christian orthodoxy and orthopraxis, an additional theological problem arises. Lack of money risks being translated to lack of Christian subjectivity. There is no such explicit tendency in *Being Consumed*—on the contrary, as we have seen, Christ himself is claimed to identify with the poor. Yet, the implicit effect of addressing mainly wealthy consumers as Christian moral subjects is that poor people's Christian moral subjectivity becomes invisible. This implicit pattern is entirely consistent with the unfortunate use of the pronouns "we" and "they" in the body of Christ.

I offer one more example of what the objectification of poor people looks like in the text. A few pages before the suggestion to make bread and music, there is a discussion about the miserable working conditions in sweatshops and in the fashion industry. There is a note on where the author's clothes are made—in China, Mexico, Haiti—and then this statement:

> Most of us would never deliberately choose our own material comfort over the life of another person. Most of us do not consciously choose to work others to death for the sake of lower prices on the things we buy. But we participate in such an economy because we are detached from the producers, the people who actually make our things. (43)

The scenario describes well the problematic reality of what the production and distribution of resources look like in the globalized market economy, a reality of which consumers should be aware. But the use of pronouns and the author's position in the text displays *Being Consumed*'s own problematic contradiction in economic agency. Again, "we" are consumers rather than producers. Again, it is in "our" hands that agency rests—perhaps "we" do not actually value the lives of other people less than money, but because of "our" ignorance, "we" pay too low a price for things, and "others" are worked to death. "We," then, are the ones with the opportunity to value differently and to make those evaluations matter. The poor workers are deprived of agency to the degree that it is assumed that "they" will neither read the book nor protest against their working conditions.

Curiously, the very "detachment from the producers" that the text laments is repeated in the text itself. The producers of "our" things are the people who work in detrimental conditions for us to have lower prices in the supermarket—they are poor. Poor people are consistently objectified, both in the economic system that is described and criticized in *Being Consumed*, and in the text itself. Furthermore, because agency lies with "us," the consumers of the products, "we" should assess not only the price and utility of the commodity, but the conditions under which it is produced; that means the entire situation is viewed from the perspective of the evaluative choice of the consumer. The well-being of producers in the sweatshops is assessed and ranked in relation to money price. Before buying a shirt, the consumer should evaluate the conditions of production of the shirt. We are approaching the core of the matter: *Being Consumed* is structured on a subjective value theory.

In this section, I have pointed out a contradiction in *Being Consumed*, between the way that poor people are consistently objectified, and the emphatic proclamation that Christ himself identifies with the poor. I have also noted that in this contradiction, reproductive labor is in principle excluded from consideration. Not only is the projected reader a wealthy consumer, but she or he is addressed only in the property of being a consumer, as though the whole domestic sphere is exclusively a site for consumption. In the next section, I will turn to analyze the conception of economic matters that patterns *Being Consumed*.

3.2 Microlevel Evaluations

In *Being Consumed*, no explicit theory of value is presented. However, when read carefully, a couple of points of departure mentioned initially effectively translate to that kind of theorization. In the introduction it is stated that the text aims to discuss how to open up concrete economic spaces and practices as a Christian: "This book will be, I hope, a contribution to a kind of theological microeconomics." (viii) It is not self-evident from the outset if microeconomics in this setting means exactly the same as it does in the economics department. But as the text proceeds, it is clear that the argument pivots around individual transactions. In this sense, it is a microeconomic argument, though in a theological shape. The idea is that the Christian person enters every transaction with a specifically Christian understanding of the end of human life in view. "Christians are not faced with the choice of either accepting 'the free market' as it is, or pinning our hopes on state intervention [. . .]." (viii) The

Christian approach can work its way through any economic system, namely by always being oriented towards the flourishing of all:

> [W]e should not defer a discussion of the [theologically understood] ends of human life in favor of a more formal discussion of whether the market performs best with or without state intervention. The key question in every transaction is whether or not the transaction contributes to the flourishing of each person involved, and this question can only be judged, from a theological point of view, according to the end of human life, which is participation in the life of God. (viii)

We see in this quotation a refusal to choose between free market or state intervention, and instead a privileging of a specific Christian theological interpretation of economic life. But that negation translates into an affirmation of the microeconomic perspective that is predominant in the value theory of the market economy. As I discussed in chapter two, this value theory is central to the theoretical framework behind free market policies. Hence, the comment that much of *Being Consumed* might seem to fit "grand narrative of capitalism" (ix) appears quite clear-sighted.[187] For example, the Fair Trade movement can be understood as the genuine flexibility of the market to accommodate any consumer preference, including the preference to pay extra for one's coffee to support a farmer:

> Christians, nevertheless, will narrate the Fair Trade movement differently, as the pursuit of one of the chief ends of human life, that is, communion with other persons. This is not the mere expression of a preference but the pursuit of an end that is objectively valid—that is, given by God, not simply chosen. (ix)

The rationale of one's preferences should be "participation in the life of God." But such claims regarding what human life is all about are not in themselves contrary to the theoretical skeleton of the subjective value theory and diminishing marginal utility. In that sense, when it is acknowledged that the view of economic matters in *Being Consumed* fits "the grand narrative of capitalism," it seems as though a kind of duality of perspectives is also acknowledged. From the marginalist perspective, it is possible to incorporate the Christian telos into the general theoretical framework of the market economy, but to a Christian, the choices one makes in different transactions are not about diminishing marginal utility but about the Truth—given by God and objectively valid.

[187] Considering the particular argument in which the term capitalism is used here, coupled with the overall thrust of *Being Consumed*, I take it that "capitalism" in *Being Consumed* refers to the capitalist market economy. It makes little sense to understand it as referring in any sense to an analysis of different ownership structures.

However, the two “narratives”—that of “capitalism” and that of *Being Consumed*—concern different levels. Therefore, they are possible to read as one narrative. The subjective value theory of the market economy does not in itself specify a set of values, a morality that one must accept. Instead, the assumption is that one assesses each and every transaction and ranks options rationally according to one’s ends. If one accepts the objectively valid end given by God, one will still evaluate marginal utility in relation to that end. The marginalist value theory is in that sense a grid that can analyze any behavior, however the agent performing the action is motivated. Positing theological ends over against claimed problems of the market economy cannot move marginalism even one single inch. On the contrary, *Being Consumed*’s approach displays a crucial isomorphism with the marginalist value theory: the assumption that good order will be achieved through the aggregate of subjective evaluations.

In *Being Consumed* there is a stark critique of uneven distributions of power in the economic sphere, and a vision of a different economy. In “3.1 Consumers and Producers,” I showed that such uneven distributions of power nevertheless reappear in the envisioned Eucharistic economy, and that the text is self-contradictory—it is constantly torn between these two vectors. In the present section, I have shown that *Being Consumed* shares some common features with the theory of the market economy in understanding the individual transaction as the pivot around which the conceptualization of the economy moves. In the next section, I will connect these two arguments, and explore the degree to which the contradiction regarding agency and subjectivity is related to the conception of value.

3.3 Energizing Evaluations

There is, according to *Being Consumed*, a common conception of freedom in the market economy in terms of a lack of external restraints and common goals. It is argued that this conception is problematic: “In the absence of any objective concept of the good, sheer power remains.” (16) The unequal distribution of power in a global market economy is problematized from several perspectives. One example discussed is the enormous income gap between CEOs and production workers (the ratio referred to is 475 to 1 in the US in 1999). Those staggering proportions reveal a disparity of power that is exasperated by the mobility of capital. In the process of contracting a worker, the CEO usually has all the advantages, meaning that the worker has very little true freedom. If El Salvadorian Rosa Martinez, producing “apparel for the US market on her sewing machine” for “33 cents an hour,” begins to demand a more humane salary, the contracting company can just turn elsewhere. (21) Rosa Martinez’s freedom in choosing the conditions under which she enters a contract is therefore severely restricted.

In *Being Consumed*, there is a lucid probing into what the idea of a free market entails in terms of lived freedom for human beings. But there is no communication between the recognition that poor people might be exposed to coercion as workers, on the one hand, and that they will have very few options as consumers, on the other. That is, Rosa Martinez will probably not be able to purchase Fair Trade coffee or have much money to invest in ethically conscious ways. That restriction of her freedom as a consumer is not discussed in *Being Consumed*.

That poor people have little freedom of choice as consumers is not merely a matter of the restriction of, precisely, freedom of choice. If we think systemically, of how to change the current pattern of the distribution of resources, the poor person's lack of money also means that poor people have very little influence on the workings of the market mechanism. As Smith already noted, there is a difference between absolute and effective demand, and effective demand is the only demand that can stir production and distribution. As Samuelson and Nordhaus stated, that might be problematic from the perspective of how to accomplish morally acceptable income distribution. But when the market becomes a locus for moral agency and the primary vehicle for change, as in *Being Consumed*, the stakes are raised. The poor are not recognized to have moral agency. That is: first, in a market economy, the market mechanism responds only to dollar votes; second, in a Christian market economy, moral subjectivity is tied to dollars.

A central problem with the idea of conscious consumer choice is that it cuts poor people off from the playing field of morality. The will in itself is comparatively impotent in market exchange. For a human person to become a market agent, and for her will to become part of effective demand, wealth, usually in the form of money, is needed. Because of this, economic thinking that is centered on individual evaluation in each and every transaction is bound to systematically neglect the intentions, desires, and needs of those with little or no material wealth. The relationship between the individual transaction and market price, and the relationship between market price and further decisions based on it in production and distribution, means that rich people's evaluations will matter more.

For most people in a market economy, one's means of exchange come from selling one's labor. That is a transaction, principally viewed through the same matrix of marginal utility as any other. For a wage laborer, the evaluation of one's labor is the source of one's wealth. Any lack of money on one's part indicates that whatever one can do for a living is not highly esteemed. A brief look at gendered and racialized salary gaps and the geography of salaries indicates that skill is not the only thing determining the exchange ratio of one's labor.[188] This exchange ratio is not only about what one does, but about who one is.

There are two connected aspects to the problem: on the one hand, in a monetary economy, one needs money to conduct a transaction, and the more money one has, the greater one's economic agency is; on the other hand, almost every consumer is also a worker—or an unemployed would-be worker—and one's value as labor force will play into one's economic agency. In the market economy, agency follows the currents of money.

In *Being Consumed* we have seen a contradiction in subjectivity, where Christ identifies with the poor, whom are nevertheless consistently called "they." We have also seen an isomorphism to the market economy's marginalist value theory in *Being Consumed*. The two are related in a straightforward way: subjective evaluations in and of themselves cannot restructure the global market economy. The effect of subjective evaluations depends on wealth, and wealth is in itself often already an effect of evaluations of human beings as workers. Whether explicitly so or not, a Christian consumer orientation needs to be backed up by wealth. If a subjective theory of value is implemented in a Eucharistic economic vision, the poor Christians will remain at the outskirts of the body of Christ whereas the wealthy will inhabit its center.

In this section, I have shown that the contradiction explored in "3.1 Consumers and Producers" makes sense in relation to *Being Consumed*'s stated points of departure, discussed in "3.2 Microlevel Evaluations." The form of subjective value theory that *Being Consumed* harbors will generate an uneven distribution of agency along the lines of wealth and monetary income.

3.4 God

I will now turn to the question of the theological implications of the isomorphic structure of thought between market economy and *Being Consumed*. In a way, this part of the analysis has already begun as I have shown that Jesus's self-identification with the poor is both affirmed and contradicted in *Being*

[188] For example, Statistics Sweden shows that in 2018, women in Sweden earned 82.6% of what men earned, in "Kvinnors inkomst närmar sig mäns—men långsamt," last modified March 5, 2020, https://www.scb.se/hitta-statistik/artiklar/2020/kvinnors-inkomst-narmar-sig-mans--men-langsamt/. Statistics Sweden has also analyzed the corresponding income gaps between people born in or outside of Sweden in "Utlandsföddas medianinkomst stiger kraftigt med tiden," last modified December 10, 2019, https://www.scb.se/hitta-statistik/artiklar/2019/utlandsfoddas-medianinkomst-stiger-kraftigt-med-tiden/. In the latter article, they show that for people born in Sweden, ages 20-64, the median income in 2018 was 336 000 SEK. For those born outside of Sweden, ages 20-64, the median income in 2018 was 237 000 SEK. However, the internal income differences within the heterogeneous group of immigrants means that these figures only indicate a general tendency. Here, I have cited only numbers; my point is not to give a full account of gendered and racialized income gaps but to emphasize the relationship between what one earns and one's economic agency, and that earnings are not exclusively proportional to skill and competence.

Consumed. But we will now look deeper into what the God-given telos in market transactions does to fundamental theological loci.

In *Being Consumed*, it is argued that the Eucharistic community can and should produce a kind of subjectivity which overcomes boundaries between autonomous individuals. In the participation of Christians in the drama at the cross a kenotic or Eucharistic subject emerges: "The form of human life is then not consumption but *kenosis*. However, this *kenosis* is not mere altruistic self-emptying but participation in the infinite fullness of the Trinitarian life." (86) This kenotic form of human life has bearing on the economic setting: "If economic relations are not to be excluded in the drama of divine-human relations, then the form of economic life is the life of the Trinity, which is mutual self-giving and mutual receiving." (86) In other words, the economic relations that are envisioned in *Being Consumed* are modelled upon trinitarian theology. From this follows that this economic vision may have import for understanding God's nature.

Despite of the stated contrast between consumption and kenosis, the concrete example that follows is an initiative where local congregations have brought farmers and consumers in direct contact with each other. The parishioners either buy produce directly from the farmers, or invest in a share of the farmers' produce beforehand, thus also sharing the risks of farming. The church mediates the contact and serves as drop-off point. The theological significance of this example, according to the argument in *Being Consumed*, is that such economic relations allow for anonymous transactions to become personal:

> In this encounter, the person is seen as another self and another Christ, the universal in the particular. As a result, economic exchanges are not based simply on supply and demand, on what the market will bear. This model sets prices to ensure a sustainable living for farmers, who are otherwise subject to the vagaries of the market. (87)

But, however well I know the farmer producing my food, if I buy it from him, then it is a transferal of property rights between us. Structurally, the economic transaction remains a transaction; whether it is conducted between two lovers, total strangers, or mortal enemies makes little difference in this precise respect. The economic relation is the same. The difference between this particular church-organized market and "the vagaries of the market," is that the latter presumably implies the market economy as a globalized form of social order. In the global market economy, farmers in a high-income country may be put out of business by distant farmers if production and transportation costs are such that the local farmers cannot compete. The law of supply and demand, however, accommodates the consumer's willingness to pay more for a vegetable grown by a neighboring farmer in the market organized by the local church.

As soon as we have recognized that it is a market transaction, the question becomes what significance the theological description of the transactions has for the theology itself. The Christianly-oriented market described above is theologically interpreted as follows:

> Jesus Christ's incarnation, death, and resurrection situates the subject in a drama in which the subject is united to particular others in the body of Christ. This body opens up the possibility of forms of exchange that are based neither on self-interest nor self-sacrifice but on seeing the concrete other as not-other, as part of the same body. The Christian is called not to replace one universal system with another, but to attempt to "realize" the universal body of Christ in every particular exchange. (88)

The Christian is situated in the body of Christ by way of the Christ-event. Within this body, forms of market exchange that are truly community-oriented are possible. Such community-oriented exchanges, it is explained, are not reigned by abstract principles—such as self-interest or altruism—but by the concrete relation of belonging together with this particular person before me.

This relation between market exchange and Christian theology in *Being Consumed* is crucial for the present study: it means that in the book, the market transaction performed in a Christian state of mind is imported into the universal body of Christ. The explicit connection between this church market and theology goes straight to the body of Christ. The church as the body of Christ can include marketplaces, provided that they are guided by that norm of seeing the other as another self and another Christ.

There is an explicit theological link between the church as the body of Christ and the Trinity: for example, it is stated that by way of participating in the Eucharist that draws the subject into the body of Christ, the subject is also drawn into "participation in the infinite fullness of the Trinitarian life." (86) That means that insofar as market transactions are seen as a form of relations proper to the body of Christ, such relations are also in contact with the Trinity. It is also argued that "[i]f economic relations are not to be excluded in the drama of divine-human relations, then the form of economic life is the life of the Trinity, which is mutual self-giving and mutual receiving." (86) The concrete example that follows is the church-organized market. Hence, in *Being Consumed*, market transactions have at least vague similarities to trinitarian relations.

So far I have pointed out significant isomorphisms between Christian theology and the market economy in *Being Consumed*. But in the last chapter of the book, a different logic comes to the fore. A personal story becomes central in this last chapter—for this reason, I will let the literary figure of the author of *Being Consumed* come into the foreground of my text.[189] While staying in

[189] Note that I am making no claims to speak of the William Cavanaugh of flesh and blood, but only of the author as he is constituted in the text.

Chile, William regularly attended Sunday Mass together with Rosalinda, a woman just barely managing to support her mother and herself by crocheting things that she sold in a local market. As a gesture of friendship, she gave him a kettle-holder in the shape of a bird that she had made: "When Rosalinda presented it to me as I was leaving her home, my first impulse was to reach into my pocket and give her some money for it. But I sensed that that would have been the wrong thing to do." (89)

At the time of writing the book, many years later, this token of friendship is still in William and his family's kitchen. He considers the gift and his own confusion when receiving it in the light of the Eucharistic subversion of notions of property, and the questions it poses to contractual relations of exchanges of property as the primary economic relation:

> If I look at it in that light, I think I can see why it would have been wrong to give Rosalinda money for the bird. It would have annulled the gift and turned it into an exchange. It would have re-established the boundaries between what is hers and what is mine, and therefore reinforced the boundaries between her and me. The Eucharist tells a different story about who we—the hungry and the filled—really are, and where we are going. (100)

These are the final words of *Being Consumed*. Here, "we" explicitly include "hungry and filled." The subjective position of the text is opened up also for people who might not even have the resources to fill their basic needs. It is a "we" of William and Rosalinda, not the "we" of consumers and "they," the producers. We also see a distinction between gift and transaction, and it is as a gift that Rosalinda's action is a sign of the Eucharistic community that envelopes them both.

There is a contradiction between this narrative and the way that kenotic subjectivity was earlier exemplified by theologically informed market transactions. The Eucharistic relationship between William and Rosalinda is not a relationship of contract, of two autonomous possessors of private property, but of kenosis—a self-giving patterned on Christ's self-sacrifice. Those two forms of relationship are explicitly conceived as mutually exclusive: if William had paid for the bird, then it would have been transformed from gift to exchange.

There is another interesting feature of this story, namely that Rosalinda is its main agent. While being poor, Rosalinda is clearly no distant limb in the body of Christ, but rather the agent initiating this course of events. This contradicts the way that agency is distributed in many other instances in the book, as argued above. Rosalinda's gift is an act of stepping forth to take her place in the subjectivity of the body of Christ. The story is a concrete instance of a contradiction in *Being Consumed* between locating agency with the wealthy, and locating agency also or even primarily with those who have little. Rosalinda is an example of the latter.

It should, lastly, be noted that *Being Consumed* also opens the door to a different subjective position than that of the evaluating market agent—namely, a subjective position modelled on passivity rather than agency. Paradoxically, while the trace of a passive Christian subject in the text is rather faint, it is starkly visible in the title: *Being Consumed*. The act so central in the text, to consume, is expressed in the passive voice in the title. The principle of a passive subjectivity is present in the description of the Eucharist, where the Christian subject is described as becoming part of the body of Christ precisely by being consumed. This passivity is also present in the way that Christ's body is said to be given out to be consumed by the world—that is, divine subjectivity harbors a strong trait of passivity. But in relation to the economic setting, consumption is principally in the active voice in *Being Consumed*.

3.5 Surfacing from the Micrological Reading

In *Being Consumed*, the theological-economic complex of value, order, and competitive markets that I pointed to in the history of value theory remains. Let me first summarize the micrological analysis, before I relate it to what we have seen in chapter two and sharpen my tools for the coming analyses.

In section "3.1 Consumers and producers," I argued that *Being Consumed* contains a central contradiction. On the one hand, Godself is said to identify with the poor, and, on the other hand, the text repeatedly ascribes agency mainly to consumers with enough resources to choose. There is also a neglect of the role of reproductive labor in people's lives, a reduction of the projected reader to a consumer only. In "3.2 Microlevel evaluations," I showed that *Being Consumed* conceives economic order in a manner isomorphic to the marginalist value theory. According to *Being Consumed*, subjective evaluations guided by the telos of communion with other persons will create a good order in society. In "3.3 Energizing evaluations," I argued that the contradiction and the isomorphism are related. The subjective theory of value, insofar as it is a theory of social order, necessarily leads to the kind of uneven distribution of agency that *Being Consumed* shows recurring signs of. By exploring the internal contradictions to *Being Consumed*'s version of the complex of value, order, and competitive markets, we have recognized a blindness inherent in this complex. The poor are excluded, also in the very moment of trying to include "them."

In "3.4 God," I noted that there is a theological connection between economic relations and trinitarian relations in *Being Consumed*. Market transactions are pictured to be intrinsic to the body of Christ, which in turn is intrinsically related to the Trinity. However, there is no explicit analogy between trinitarian relations and market transactions. That this is a somewhat unclear theological area is underlined by the way that the theological motivation of a specific form of market transactions is contradicted in the last chapter. Here it is argued that the gift is the form of Eucharistic relations, and that gift and market exchange are mutually exclusive. It is possible to connect this contradiction to the contradiction that has been my main focus in this chapter: it is in *Being Consumed*'s concluding discussion of a concrete gift as an expression of Eucharistic relations that we see the main example of placing agency with the poor.

Let us condense the interplay between value, order, and markets in *Being Consumed*: subjective evaluations can produce good order through competitive markets insofar as they posit "communion with other persons" as an "objectively valid" end (ix). At present, the market economy is perceived as corrupted, but it can be adjusted by using its own structure of balancing between supply and demand, insofar as demand can be oriented toward love and community. The market mechanism can lead to bad as well as good order; it can be a vehicle for sin or for virtue, and the evaluating individuals determine the outcome.

It is time to raise ourselves above our micrological immersion in *Being Consumed* and relate its results to the present study so far. The thought structure argued to be isomorphic to the marginalist value theory is significant. The isomorphism is between the idea of *a good order* in *Being Consumed*, and the marginalist *value* theory. Hence, the isomorphism brings out the way that the marginalist value theory concerns social order at least as much as it concerns the question of what things are worth. In *Being Consumed*, Cavanaugh does not ask what value is or how the price of diamonds can be explained—he asks how the economy can be ordered in a way that will allow for the flourishing of all. That the answer goes via subjective evaluations in individual transactions is crucial for the unravelling of the theological-economic problem of value of the present study. It corroborates the conclusion of the theological analysis of the history of value theory in chapter two, that value is a cosmological problem, and begins to shed some light on what that theological-economic problem might look like in contemporary Christian theology.

There are two ways in which the micrological analysis of *Being Consumed* has touched upon themes present in scholastic just price theory. First, in Cavanaugh's argument that the negative freedom on the market in fact translates to the power of the wealthy, we recognize the problem that was understood as economic coercion in medieval thought. In general, labor prices set under the condition of economic coercion would be unjust according to the scholastics. It is hard to argue against Cavanaugh's point; it is clear that economic coercion is common in the contemporary globalized market economy. But to the scholastics, in situations of economic coercion, justice had to be upheld by vectors of power that ran outside of the market. Similarly, when Samuelson and Nordhaus note in their textbook that a well-functioning market economy might be unfair, they leave it to political authorities to redistribute resources according to the will of the electorate.[190] In *Being Consumed*, instead, such processes are assumed to go via the market mechanism itself, through more morally conscious consumption. That means that the Eucharistic economy described in *Being Consumed* is more of a laissez-faire market than the textbook suggestions of one of the most celebrated defenders of the general equilibrium theory and mainstream economics: Paul Samuelson.[191] In what follows I will keep an eye on how the contemporary theological texts that I analyze configure the relationship between the nexus of subjective evaluations, order, and competitive markets on the one hand, and a regulating political authority on the other.

Second, we saw that in *Being Consumed*, assessments of individual transactions should be carried out in relation to their God-given end. Because that objectively valid end is spelled it out in terms of community with God and neighbor, what is at stake in kenotically-informed economic relations is essentially the virtue of charity, although Cavanaugh does not explicitly call upon that theological virtue. When the scholastics worked out a theory of value, justice was judged to be the virtue more fit for understanding market exchange. The question is what reclaiming of love as the guiding norm for economic transactions does to the theological status of trade. Is it possible that this move elevates the status of trade theologically, and the microeconomic perspective on trade specifically, by making trade an occasion for love? Does reintroducing love as the norm for commerce make the market a vehicle for salvation? These questions will be kept under observation as we continue.

In relation to this last question, we also find the relationship between the Trinity and market exchange. A theological argument in relation to trade based upon trinitarian relations carries the possibility of a reversal of such an argument within itself: trade can be used as an analogy for trinitarian relations. That does not happen in any straightforward way in *Being Consumed*. Such a tendency is present but is contradicted by the way that gift and market exchange are posited as mutually exclusive by the end of the book. Yet, the question arises what the relationship between trade and Trinity might signify for the conceptualization of the Trinity?

These questions marks point us forward toward the next micrological analysis. I will turn to a book that argues both for charity as the main virtue in economic relations, and for an explicit analogy between market exchange and trinitarian relations: *Divine Economy* by Stephen Long. In the micrological analysis of that book, I will be able to probe further what love as the guiding

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[190] Samuelson and Nordhaus, *Economics*, 38.

[191] It is important to note that marginalism and the general equilibrium theory do not in themselves lead to libertarian free market policies, though the general equilibrium theory has influenced the implementation free market policies over several decades. One may defend the general equilibrium theory and recognize the limits to the market mechanism according to that theory, as Samuelson and Nordhaus do.

norm for trade does to trade's theological status, and of the theological effects of the relationship between market relations and the Trinity.

Divine Economy is also particularly interesting to me due to Long's explicit critique of the main conceptual structure of marginalism. Yet, the importance of subjective assessment in relation to market exchange and economic order remains in *Divine Economy*. Furthermore, the subject performing those assessments is mainly understood along the same lines as marginalist rationality. This contradiction internal to *Divine Economy* can help us probe deeper into value as a theological-economic problem.

4 Facts and Values: Reading *Divine Economy*

Before immersing ourselves in the analysis of *Divine Economy*, a methodological comment on the differences between the micrological readings of different texts is needed. *Being Consumed* is a short, well-composed and very clear book. Therefore, I could point out contradictions that run through the book from its central structuring thoughts to grammatic details. Stephen Long's *Divine Economy* is very different from *Being Consumed*, and so my micrological analysis will be different too. On the one hand, the main argument of *Divine Economy* is obvious from its first pages. On the other hand, the book contains detailed—and in themselves very informative—discussions of an array of different economists and theologians that are not incorporated in a coherent way into the overall argument. For this reason, the relation between central structuring thoughts and details becomes unpredictable. In my analysis, I will follow this unpredictable interiority of *Divine Economy*. Rather than clear-cut contradictions, we will see lack of clarity and, most interesting for my purposes, a redoubling of central tenets of the market mechanism in the divine economy of the book's title.

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In *Divine Economy*, there is a notion of stark conflict between a traditional Christian theology and secular modernity, including the present form of economic organization. The book's overall argument "seeks to move theology beyond the marginalist revolution and its understanding of rationality." (5) The main problem with marginalism is understood to be the way that here, as well as in modernity in general, a two-tiered reality is assumed: there are facts, which are neutral and can be objectively observed and analyzed, and then there is the sphere of values and meaning, mainly addressed by theology and moral philosophy. If the former is a sphere of natural necessity, the latter is a sphere of human freedom. That assumed two-tiered reality is called the modern fact-value distinction in *Divine Economy*, and it is against that conception of reality that the critical impetus of the book is levelled. Thus, "value" is a central concept in *Divine Economy*.

In *Divine Economy*'s search for a way to move theology "beyond the marginalist revolution," three common strategies of how theology has related to economics in the twentieth century are explored. Those strategies are labelled traditions. In *Divine Economy*, a set of thinkers who more commonly fall under the heading liberal are called "the dominant tradition." The dominant tradition is found to be consistent with marginalism's two-tiered conception of reality. Liberation theologies are discussed under the heading "the emergent tradition," which is found to be at odds with marginalism, because those theologians historicize social and economic structures instead of understanding them as natural. Yet the emergent tradition is still argued to be aligned with some problematic traits of the fact-value distinction that makes it resonate with marginalism—for example in the strong emphasis on sociological analyses of oppressive social realities, or facts, that can be described neutrally and then criticized in the name of freedom. "The residual tradition," in which we find mainly the two theologians John Milbank and Thomas Aquinas, but also ethicist Alasdair MacIntyre, economist Bernard Dempsey, and Pope Leo XIII, is found to be in an effective critical opposition to marginalism due to a fundamentally different conception of reality. This conception is also *Divine Economy*'s and will be described and analyzed in more detail in the present chapter.

4.1 A Theological Critique of the Fact-Value Distinction

According to *Divine Economy*, the modern division of labor between economics and theology is a result of the scholastic theological developments of voluntarism and nominalism. In separating nature from grace, the theologians aimed to secure God's freedom and absolute transcendence, but that also meant that nature was increasingly conceptualized as a domain separate from faith. Thus, an increasing belief in man's natural reason and the autonomy of the sciences was but a consequence of the freedom of God. Those discussions enabled a conceptual construction of a two-tiered reality with a separation between facts and values. This, it is claimed, is the metaphysics which enables sciences such as economics to work autonomously and unguided by theology. In short, in modernity nature became factual. Facts "are assumed 'true,' [. . .] if they have been delivered by an appropriately objective method." (3) Those objective methods refuse orientation along the lines of what a good life might be because "such *values* are too wedded to particular histories to be of service in the construction of objective facts. [. . .] Values can be discussed *after* the facts are presented." (3, italics in the original) Facts are associated with non-negotiable truth, values with particular histories and perspectives; facts are presented, whereas values can be discussed.

The foundation of *Divine Economy*'s line of critique of that fact-value distinction is a theological conception of the relationship between nature and grace that is developed throughout the book. The nucleus of this argument can be found in a condensed version in a couple of pages that contain an exegesis of Thomas Aquinas. Here, it is first noted that it is common to interpret Thomas as though his distinctions between natural reason and revelation, and between natural law and the New law, mean that there is a two-tiered nature-grace order in Thomas's thought. In *Divine Economy* that interpretation is argued to be mistaken. Instead, it is claimed that for Thomas nature was corrupted in the Fall and thus grace perfects fallen nature. Grace is necessary for human nature to become truly natural. The law of nature is "obscured" for us under the conditions of original sin and "what the New law of the gospel accomplishes is to clarify for us the law of nature." (215) Divine revelation comes not to man's assistance only when natural reason fails—instead, "[s]acred doctrine helps us understand the natural *as* natural." (215, italics in the original)

That the natural as such can only be properly grasped within the realms of theological reason also means that there is no absolute distinction between "is" and "ought," between a neutral description of how things naturally are and the way they are meant to be. Facts and values cannot be separated. In relation to economics, this means that there is no natural and self-interested rationality which can be read from things neutrally. Instead, a truly natural and therefore also rational desire is the desire for God—love. Such desire creates true order: "To fulfill what is natural, the *lex nova* must elicit our desire so that this order can be maintained, not only in external action but in internal action." (216)

On that basis, it is argued in *Divine Economy* that the modern fact-value distinction that relegates theology and moral philosophy to the sphere of "values" cannot be maintained from a theological perspective. The marginalist description of human behavior and rationality cannot be accepted at face value as a neutral science that gives theologians the facts over which they can then reflect morally.

So far, the understanding of the fact-value distinction and the critique of it in *Divine Economy* is straightforward. But when we look closer at the relationship between fact-value distinction and the concept of value, things become less clear. For example, the following is said about marginalism's notion of value:

> For marginalist rationality all goods are subject to the overarching law of value. All goods are potential objects of human choice, and thus through a person's choices, she or he gives value to that which is. These choices can then be indexed and regularities observed. These regularities are subject to change, but through statistical methods we can chart and negotiate the changes. We may not approve of these choices, but they reflect the "facts" of economic life, the empirical realities. Morality cannot alter this facticity. Instead, it gives values that the moralists hope will bring people to make different choices. (74)

"Value" is a flexible concept in this quotation. "The overarching law of value" is constituted by human evaluative choices. In relation to "value" as a fact, all that morality can do is to give "values" that might lead people to make different choices. "Value" in this quotation stands for price and for the moral sphere—value means both facts and values.

This is a bit abstract, so let us exemplify. I go to a coffee shop to buy a cup of coffee. I stand there weighing the different qualities of each kind of brew offered against the different prices: "The cappuccino costs x Swedish crowns, the Swedish *bryggkaffe* is cheaper but I like cappuccino more, so I'll take the cappuccino." Price is here "value as fact." When I choose, I not only complete this one transaction but as a completed transaction my evaluation is incorporated into the market mechanism. In this process, my choice, determined by my evaluative process, has an effect, albeit infinitesimal, on that exchange ratio which was one minute ago perceived as a fact. On the aggregate level, such choices can be "indexed and regularities observed"—that is, turn into facts.

The moralists to whom *Divine Economy* refers hope that the values given by morality might bring people to make different choices. In that sense "moralism" continues to play along with the rules of the game, as is correctly observed in *Divine Economy*. For example, just now at the coffee shop, I weighed price against taste when considering which brew to have for my morning coffee. Now we add morality into the equation. My awareness of the moral issues involved in coffee production was raised yesterday when watching a documentary on plantations in Brazil. I believe that the economy should ultimately aim at the flourishing of all. Thus, the new awareness of present conditions in coffee production makes me consider both the working conditions and the environmental consequences of the plantations: "They also have Fair Trade *bryggkaffe*, as expensive as the cappuccino but not as tasty. But for me, the future of the planet and the conditions of the workers are values much more important than money or taste, so I'll take the Fair Trade *bryggkaffe* instead." My knowledge and moral stance orient my economic behavior. My values lead me to a different choice.

Let us go back to the quotation from *Divine Economy*. In relation to the fact-value distinction, the following confusing result appears: "fact" means monetary value, and "value" means moral values. Value appears on both sides of the distinction. We seem to have come across a homonym. That would have been one thing had the two meanings been separate. But in relation to the role of subjective evaluation, they are interwoven in complex ways, as seen above in the coffee example. Moral values and monetary value are parameters present in my evaluation of that cup of coffee. My choice may very well be guided by moral values, it enters the market mechanism and helps determine monetary value, that is, price—a signal that will in turn orient subsequent evaluative choices in the market. The two meanings of value as a concept do not seem to be a homonym, a mere linguistic coincidence, since they are so closely related.

This complexity is not examined in *Divine Economy*; instead, it is intensified into confusion through the argument of *Divine Economy*.

In this section, I have discussed the theological critique of the fact-value distinction in *Divine Economy*, and shown that in this critique, there is a lack of clarity in "value" as a concept. In the next section, I will probe this lack of clarity with regards to value theory and show that there are critical structural isomorphisms between *Divine Economy* and marginalism.

4.2 Opportunity Costs

The focal point for the analysis of the present section is a concrete example discussed in the introduction to *Divine Economy*. The example is taken from a textbook that explains the concept of opportunity cost. As we saw in chapter two, opportunity cost denotes the second-best option that one foregoes in choosing something. The premise of this concept is that one cannot do everything, so one must choose. The textbook referred to in *Divine Economy* explains opportunity cost by imagining the following example: Mrs. Harris, who earns fifty dollars an hour as a psychologist, prepares dinner for her family. The textbook asks the reader to contemplate what the opportunity costs involved are. Because "opportunity cost" denotes the foregone option, the second best, it is an extremely flexible concept and what it represents concretely depends on the person and the immediate situation—in this example, the opportunity cost of preparing a family dinner for Mrs. Harris is to work another hour and earn some more money.

According to *Divine Economy*, this description of everyday life cannot be accepted. To work and earn money or to prepare family dinner are incommensurable courses of action; in real life they cannot be reduced to the formal equivalence of the abstractions of opportunity cost. To interpret the family dinner and work in terms of opportunity cost "invites us to construe our lives, primarily our lives as family members, in terms of the activities of producers and consumers. The family meal loses all incommensurable status with other consumable objects." (4)

Furthermore, it is argued that the economic set-up will lead to a depreciation of the unaccountable reality of family life in favor of the dollars, which is connected to the critique of the fact-value distinction: "The *facts* seem incontestable. No matter what our *values* might be concerning family, work, religion, politics, etc., when Mrs. Harris makes dinner she foregoes the opportunity of generating $50." (4, italics in the original) According to *Divine Economy*, it is misleading to describe the situation like this, because it makes us view the whole of life in terms of consumption and production. Furthermore, the concept of opportunity cost implies a whole metaphysics which is deemed problematic:

> In fact, this putatively harmless example contains a complex metaphysics that assumes all human action and language takes place in a tragic world of scarcity. The ability to ask this question entails acquiescence to that metaphysics. Any action that I take will be inscribed in a world of lack wherein my choice is made possible only by the other options I choose against. Rather than viewing human action as arising out of a plenitude, this metaphysics assumes it is ensconced in scarcity. Death, violence, and antagonism become the source and end of such a metaphysics. (4)

To highlight the absurdity of speaking of a family meal in terms of opportunity costs, *Divine Economy* plays with the thought of Mrs. Harris working instead of having sex with her husband, who then buys the services of a prostitute for twenty-five dollars. "The fact of the matter is not that Mrs. Harris' husband saved the family $25 and increased [societal] productivity by $75. The fact is that he committed adultery and thus denied God's purposes for marriage." (5)

But why are those two situations paralleled? The sentence that mediates between the critique of the original and the counterexample is: "What could not be substituted into the calculation of opportunity costs?" (4) Given that sentence, one may be led to think that the counterexample is solely a parody. But after the counterexample, the argument is that the facts of the money price of labor and of sex are not more real than the category of adultery is. As we saw, what is pointed out to us is that the "fact is that he committed adultery"—that statement means that the counterexample is no mere parody, but also has a more substantial argumentative function in the critique of the fact-value distinction. It is meant to highlight that money price is not more true than the category of divine law. That, however, means that *Divine Economy* comes closer to the marginalist rationality than what first appears to be the case.

To begin with, we may note that *Divine Economy* displays a distorted understanding of opportunity cost. It is true, as we have seen in chapter two, that marginalism assumes the legitimacy of viewing all human action in terms of opportunity cost, and that the premise for this assumption is that all human action and language takes place in a "world of scarcity." But in mainstream economics, the money price of something is not more important than that which cannot be denominated in money. "What our *values* might be concerning family, work, religion, politics, etc.," those values are precisely what matters in the opportunity cost situation.

The distorted notion of the concept of opportunity cost in *Divine Economy* is visible here:

> Let us suppose that Mrs. Harris engages in sexual intercourse with her husband. And let us suppose that he could hire a prostitute at fifty percent of the opportunity costs incurred for the time they spend together. Although our *values* might be shocked by such a calculation, the economic *facts* are clear. It costs this couple $25 per hour for sexual intercourse. (4, italics in the original)

The metalevel distinction between the facts of science and the values of theology and moral philosophy is in this quotation imported into the microperspective of opportunity cost decisions. It is true that if the Harrises had sat down to make this comparison, the twenty-five dollars would be an opportunity cost for their intimate moment. But that means that those dollars are valued less than that intimate moment. The facts that the economists are interested in is what the Harrises actually choose—or rather, how people in general choose. Opportunity cost is a useful concept in that regard since it functions as a grid where choices can be isolated in time: you cannot do everything and be everywhere at the same time; you can and must make a choice in each new situation. Opportunity cost implies neither that money is more factual, nor that it is better than either preparing food or having sex. When this is clarified, it also becomes evident that the line of reasoning in *Divine Economy* is premised upon an identical assumption that one can and must choose among alternative roads to take.

To make my own case, let me begin with enforcing the case of *Divine Economy*. Opportunity cost as an analytical tool concerns choices isolated in time. Because of that, some crucial features involved in human decision making are invisible in the opportunity cost concept. Usually when people make choices, they are embedded in relations that run over the course of time and shaped by circumstances beyond people's control. Say that Mrs. Harris works the hour because she likes her job. Say further that Mr. Harris stays at home with the children and prepares the meal to which she will arrive in time for a happy family dinner. In that case, the opportunity cost of working is very low, not to say negligible. Say instead, that Mrs. Harris has to work extra hours because the family desperately needs money. Mr. Harris is dead or gone with the wind, and the children are very young and alone at home. Then the opportunity cost of working the hour is very high. Furthermore, in that case Mrs. Harris is not the only one to pay the costs. She is the one who makes the calculations, and whose calculations will enter the price mechanism. But the children's assessments of the same situation do not necessarily enter her calculations, or they do so only in a secondary manner—though the highest cost is perhaps paid by them. That cost will be entirely lost to the market.

That way, the original textbook example cited in *Divine Economy* tends to reduce the complexity of the situation of Mrs. Harris, isolating a single moment of decision from the web of relations and forces in which it is embedded. In that sense, it is true, as is stated in *Divine Economy*, that the incommensurability of different situations and activities are obliterated in the levelling logic of the opportunity cost analysis.

But the crux is that the same problems are repeated in the book's critical counterexample; and *Divine Economy* develops none of the above-mentioned potential to leverage a critique of the fact-value distinction by naming very real opportunity costs that can never be measured, monetarily or otherwise. The counterexample instead envisages an opportunity cost decision, equally isolated in time. Furthermore, the verdict on Mr. Harris indicates that the analytical grid of *Divine Economy* corresponds to that of opportunity cost. The very premise of accusing Mr. Harris of adultery is that he could have chosen differently and obeyed God's will, but he cannot do both simultaneously. He is subjected to a "metaphysics of scarcity." In a given moment in time, one can follow God's will, or one can take another course of action. One has to make a choice. Opportunity cost concerns choices. If Mr. Harris in this situation chooses between adultery and faithfulness to God and his wife, faithfulness is the conceptual equivalent to the opportunity cost. Sure, Mr. Harris can undergo a change of heart and become faithful to his wife so that he makes different choices at other moments in time. But that does not amount to a negation of the premises of opportunity cost: a spatiotemporal, and thus limited, human being making choices. Opportunity cost is the road not taken: if Mr. Harris through his actions "denied God's purposes for marriage" the road not taken is to affirm God's purposes for marriage.

That means that *Divine Economy* contains an opportunity cost critique of opportunity cost: a misrepresentation of mainstream economics' use of opportunity cost concept is criticized in the name of a conceptual structure identical to the real mainstream economics use of opportunity cost. We have identified the following isomorphism between the marginalist example cited in *Divine Economy* and its own counterexample: both contain anthropological premises of scarcity and freedom of choice, which generate a human condition of constant prioritization. However, the counterexample has the flavor of parody over it, although it also serves a purpose in a larger and more substantial critique of the fact-value distinction. The question is whether the isomorphism is coincidental or if it runs through the argument more generally.

There are indications that the isomorphism goes deeper. I mentioned how the fact-value distinction is unacceptable to *Divine Economy* because the natural becomes fully natural only with the aid of grace. According to *Divine Economy*, there is no neutral natural reason that can approach the natural world directly—natural reason, if left unaided by grace, is caught in the corrupted conditions after the Fall. Only when enlightened by grace can natural reason grasp nature as it really is, as creation. In this process, God, the end of all ends, will orient reason; morality is not distinguished from reason. The ultimate end orders human thought and conduct in every respect: "To fulfill what is natural, the *lex nova* must elicit our desire [. . .]. The *lex nova* sets in order a person's actions so that a person is directed toward his or her proper, and ultimate end—the state of blessedness." (216) This way, grace orders a person from the inside out to enable her to live according to the law: "This internal ordering occurs because the New law produces the desire for the Lord's blessedness, and desire is the first necessary impulse for action. (216)

There is an affinity between this understanding of desire as producing order, and the subjective value theory's linking of individual rational choices to an optimal social order. If Mr. Harris's desires had been rightly ordered, he would have adjusted his actions to divine law. He would have appreciated the opportunity costs differently, and another option would have come out on top for him. On this view, social order is the outcome of a rightly ordered human desire.

Considering that human reason without grace is not truly rational according to *Divine Economy*, Mr. Harris's choice with respect to his sexual drives is not conceived as free in any absolute way. The disturbing effect of original sin with regard to human freedom means that if there is an opportunity cost logic in *Divine Economy*, that isomorphism is not identity. Still, also given the conditions after the Fall, Mr. Harris's action is depicted as a choice in *Divine Economy*, for which he can be held morally responsible. In any case, in order to discern whether the opportunity cost concept structures *Divine Economy* in a thorough manner, we need to turn to the book's larger theological-economic vision.

4.3 A Christian Market

The aim of *Divine Economy* is to go beyond marginalist rationality with its fact-value distinction, and think about economic issues in a truly theological way. In this regard, several cues are drawn from John Milbank. With the help of Milbank, *Divine Economy* establishes that the capitalist market economy is a heretical and ungodly order and must be replaced by a divine economy. The divine economy, however, is nonetheless an exchange economy. "For Milbank, the divine economy, with its basis in gift, must be represented in our lives because our lives are also fundamentally based on exchange." (260) In this quotation, we see a close relation between gift and exchange that is related to *Divine Economy*'s critique of a common modern theological notion of the gift as purely disinterested: "The argument that Christian moral action should be disinterested was an eighteenth-century innovation." (27) That conception of Christian morality makes gifts practically impossible, and places immorally high demands on the person giving, it is argued in *Divine Economy*. It is therefore claimed that such a theology in reality demands self-sacrifice on the part of believing Christians. Gift-giving should instead be seen as interested and mutual, approaching the logic of exchange. This integration of exchange and gift also means that exchange becomes a fundamental anthropological trait: "We have no alternative to exchange: there is no self-sacrificial morality that gives without expecting a return; no heroic sacrifice that is redemptive in itself." (260)

Exchange becomes a human universal in this conception. Exchange is mutual giving, and gift is a part of an ongoing exchange process. Yet, gift is not a matter of contracts and property rights: "the Christian notion of gift gives expecting a return, not in the sense of a formal equivalence but as a gift that cannot be alienated from us and thus whose givenness always returns." (259)

This formulation is difficult to understand in several ways. First, is it the Christian notion of the gift that gives, or does this notion imply that the giver gives expecting a return? Second, even if "inalienable gifts that always returns" may be a plausible explanation of relationships such as love, how is this to inform how we relate to physical objects in a human exchange economy? *Divine Economy* contains a concrete example of what such an exchange economy might look like, to which I will return shortly. But first, let us remain with the principles of this theological vision:

> The church is the basis for a political economy that will flow out of God's original plenitude and not be grounded in an inevitable scarcity. Even though we see this political economy only through a glass darkly, we must in faith live it and participate in its presence. Natural laws alone will not provide its basis. Instead a theological poetics must seek to make possible a participation in daily labor and necessary exchanges as an aesthetic and liturgical offering, as an encounter with God. [. . .] The question remains of how is this to be accomplished by the *ecclesia* through the corporation without the state? (260)

Here, it is claimed that the church is the space in which a good economic order can unfold. The position of the state is not clear in *Divine Economy*, but in the question that ends this quotation, it seems as though the state is unnecessary insofar as the church forms the parameters of the economic order. It is claimed that this Christian political economy draws on God's original plenitude, and not the scarcity that is assumed by marginalism. "A proper theological performance" will not

> accept the antagonism intrinsic to the market nor turn from the market to the state for a forceful resolution of such antagonisms. Instead it will give free reign to the exuberance and boundless theological virtues that cannot be possessed, but come as dis-possessions drawing us into the life of God. (265)

The "antagonism intrinsic to the market" must be understood as the market as conceptualized in mainstream economics and not the market as such, since *Divine Economy*'s own concrete vision of a theological market is launched just a couple of pages later. "Forceful resolutions of antagonisms" will not be needed, it is said, presumably because there will be no such antagonisms, or because the superstructure of the church will mediate without force.

But as we have seen, in *Divine Economy* self-interest in exchange is presupposed. How does that relate to the issue of antagonistic interests, and to the critique of opportunity cost? Against the common theological critique of the presupposed self-interest in a market economy, in *Divine Economy* it is instead argued that "the gospel is not about disinterested love, and thus it is not self-interest that is objectionable in Smith." (27) "Smith" in the quotation is Adam Smith, and *Divine Economy* goes on to discuss Smith's realization of interested behavior as having an ordering effect on markets.[192] Here, Smith's famous words on the butcher, the brewer, and the baker are quoted. According to *Divine Economy*, that people do not bring us what we need out of their benevolence but out of their own interest is "unobjectionable. I should expect the baker to have a primary interest in her sustenance and the sustenance of her own family." (28) To ask the baker to sacrifice what she needs for my sake would be "vicious." (28) Instead, the problem is

> Smith's prohibition to speak of "their necessities" in favor of speaking only of their "advantages." Here Smith juxtaposes an antagonistic either-or rooted in scarcity: *either* the baker's interest *or* mine. I must not let the baker know of my needs, but persuade her that it is in her own best interest to enter into an exchange with me. We are antagonists who are each seeking our own advantage under conditions of scarcity. This antagonism grounded in lack is an intrinsic feature of his free-market system [. . .]. (28, italics in the original)

In this reading of Smith, a crucial mistake in *Divine Economy* is revealed. Smith is read as though he assumes that scarcity implies hostile human relations. But that resources are scarce does not necessarily imply that the fulfilment of my interest negates the fulfilment of yours. Smith's point with the example of the baker, the brewer, and the butcher is that under normal circumstances, the market price will satisfy the needs of both parties of an agreement.

Divine Economy's mistake is not merely a matter of a misreading of those Smithian words. It also concerns a premise of scarcity that is shared by *Divine Economy*. This premise of scarcity is visible in *Divine Economy*'s claim that it is immoral to ask the baker to act entirely disinterested in her affairs: "To expect her to feed me at the expense of her own life and the life of her family would be vicious." (28) What "expense" is referred to here, if resources are not scarce? That expense is what the economists call opportunity cost. It is also the presupposition for *Divine Economy*'s argument that self-interest is not opposed to good Christian morals, but integral to it.

Divine Economy contains a structure of thought isomorphic to opportunity cost. We can also establish that this thought structure has an isomorphic function in relation to the economic order. The baker's self-interest will, according to the line of reasoning in *Divine Economy*, protect her and her family's interests; and given that this is an exchange situation, her estimation of the "expenses" at stake will help her negotiate with other interested agents and reach an agreement: price.

Consequently, *Divine Economy*'s concrete example of how the church can foster alternative economic spaces and imaginations is a market: The Seeds of Hope ministry. This was a market set up by local churches as a way to help

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[192] In *Divine Economy*'s reading of Smith, no distinction is made between "interest" and "self-interest."

small-scale food producers and consumers meet directly. This concretely church-harbored market space spawns the following reflection:

> All such ministries are signs of the hope and patience that remind us to be creative in the daily exchanges constituting our lives while we wait on God's complete and perfect rule. They remind us to raise such questions as how do we commute to and forth to work? What do such practices bear witness to? Do we treat creation merely as something to be consumed by our will, or can we find in it God's beauty? How do we eat? How are we clothed? What relationship exists between our eating, being clothed, and other people's lives? Can we avoid desire for its own sake, even if such avoidance is not necessarily good for economic growth? The questions that might be raised are inexhaustible. But they move us beyond the single question that predominates in marginalist rationality—at what point do our exchanges no longer serve our formalized interest. (269–270)

According to *Divine Economy*, The Seeds of Hope ministry is an example of a theologically-oriented economic organization, one which will take us a step on the way towards perfection. Nothing in the text indicates that the exchanges that took place in this market deviated from ordinary market exchanges in any formal way: presumably we are dealing with individuals who contractually exchange their private property. Furthermore, if any of the "inexhaustible questions" is raised in relation to a particular transaction, it will become a question of opportunity cost.

Divine Economy is structured by an isomorphism with the market economy: on the one hand the notion of scarcity in human life is isomorphic to the opportunity cost concept; and on the other hand the pivotal role of individual choice in economic ordering processes, including self-interest, is isomorphic to the function that opportunity cost has in relation to the market mechanism in the market economy.

This isomorphism may help shed light on the above-noted lack of clarity with regards to value as a concept. From within the micro-perspective of each transaction, the fact-value distinction lacks the meaning that it is given *Divine Economy*. To an individual economic agent, facts and values are levelled in the evaluative process, in a mode similar to the way that, for the Christian believer, facts are reinterpreted in terms of the ultimate end of life. The fact-value distinction becomes relevant in the meta-perspective of separating out the theological discourse, dealing with meaning and morality, and the economics discourse, dealing with facts such as exchange ratios. But from the perspective of marginalism, exchange ratios on markets already incorporate the secret forces of countless desiring human hearts.

The way that "value" in *Divine Economy* is used for both sides in the fact-value distinction thus seems to mirror a wider lack of clarity in the concept of value. In chapter seven, I will return to a semantic analysis of the opaque concept of value. But in the next section, I will turn to the question what the theological motivation for market exchange in *Divine Economy* does to the notion of God.

4.4 God: Trinitarian Exchanges

It is time to turn to the conception of God in *Divine Economy*. I have already discussed the role of self-interest in human affairs in *Divine Economy*. Let us return to one of those arguments: "We have no alternative to exchange: there is no self-sacrificial morality that gives without expecting a return; no heroic sacrifice that is redemptive in itself. Such an understanding of morality would be inhuman, not even fit for God." (260) There is a direct link in this quotation between divine and human economy, so direct that little or no mediation is offered when the text switches between the two. It seems as though God is also self-interested. The question is how self-interest and sacrifice are related in *Divine Economy*, and how the affirmation of the trading baker as self-interested is related to divine self-interest.

On the page before the quotation above, the theological and the economic themes are tightly interwoven in an affirmative interpretation of John Milbank. Let us begin with the critique of the present economic system: "In modern contractual economies, my labor is an investment that goes out from me and is then alienated: it represents a sacrifice made by my will." (259) Here, contractual exchange is equated with sacrifice. The commodity is in itself a sacrificial form, because it is alienated or alienable. The abstract equalization between two commodities in the exchange ratio—here, labor and wages—is the logic that makes contractual exchange a sacrifice according to *Divine Economy*. In Christian theology, in contrast, labor should be understood within the parameters of liturgy. Work "assumes the role not of contract but of gift, and gift is marked by a social reciprocity that eschews sacrifice. There is no place for a sacrificial economy within Christian theology [. . .]." (259) In other words, in a Christian economy, things will not be exchanged in the way that they are alienated in a transferal of property rights. Yet, as we have seen, exchange is argued to be a fundamental human condition and "there is no alternative" to exchange. According to *Divine Economy*, denying exchange would amount to the deformed Christian idea of love as disinterested, implying self-sacrifice.

At first glance, it may seem self-contradictory to claim that both disinterested gift and the demand to receive something in exchange are sacrificial. But in *Divine Economy*, "sacrifice" is an act of alienation, regardless of whether one demands something in exchange, or on the contrary refuses to receive something in exchange. Hence the sentences already quoted: "In contrast, the Christian notion of gift gives expecting a return, not in the sense of a formal equivalence but as a gift that cannot be alienated from us and whose givenness always returns. This is how the divine economy itself works [. . .].” (259)

To argue that acts of alienation and sacrifice cannot take place in the Trinity is uncomplicated. Since the three persons of the Trinity share in the same divine nature, they are not individuals in the way that human beings are—they cannot really exchange in that sense. But that means that the divine economy and the human economy cannot be paralleled in any straightforward way. However, in *Divine Economy* it is claimed that human forms of production and distribution of resources should be modelled on the divine economy. It is a lot harder to imagine “gifts that cannot be alienated and whose givenness always returns” in a human economy.

Consider the church market described above. There were no signs in that example that things were not alienated from the market agents in that church market. Add to that *Divine Economy*’s argument that the baker and I exchange items self-interestedly. Our self-interest is warranted because at some point our resources will be exhausted, which means that we have to have some idea of fair return in exchange. A further presupposition in *Divine Economy* is that we must alienate that which we exchange with. Otherwise the defense of the baker’s self-interest makes little sense. Even if we get rid of the legal constructions involved, such as property rights and contracts, human beings will have some sort of right of disposal if they are imagined exchanging at all. From what is described of the vision of a Christian market within the bounds of the church in *Divine Economy*’s, that market is not principally distinct from the current market economy.

In a human economy, then, “gifts that cannot be alienated and whose givenness always returns” looks a lot like market exchanges. This envisioned human economy is explicitly modelled on the divine economy—it is “how the divine economy itself works.” Furthermore, recall that “there is no self-sacrificial morality that gives without expecting a return; no heroic sacrifice that is redemptive in itself. Such an understanding of morality would be inhuman, not even fit for God.” (260) When combined, the arguments lead to the conclusion that self-interested exchange is introduced into Godself. This implies that the persons of the Trinity are exposed to scarcity.

4.5 Surfacing from the Micrological Reading

Divine Economy contains a contemporary theological-economic configuration of the nexus of value, order, and competitive markets. Before I spell this configuration out in relation to my study as a whole, let me recapitulate the main points of this chapter. As a first step, I showed in section “4.1 A Theological Critique of the Fact-Value Distinction” that in this critique, there is a lack of clarity in the use of the term value. “Value” means both “facts” and “values,” and the two are caught in a complicated relationship. The concept of value merits further attention. In the following section, "4.2 Opportunity Costs," I turned to a concept with significance for value theory, namely opportunity cost. I argued that in spite of a heavy critique of it, the conception of human behavior in *Divine Economy* is structured in a manner isomorphic to the opportunity cost concept. In "4.3 A Christian market," I strengthened that argument by turning to the vision of a Christian market in *Divine Economy*. Here, I showed that the isomorphic assumptions about human nature are also related to the overall conception of markets and exchange in a manner isomorphic to opportunity cost's function in relation to market price. Last, in "4.4 God: Trinitarian Exchange", I turned to the conception of God. Due to the way that economic issues are treated as analogous to the Christian conception of God as triune, the divine economy becomes some form of exchange economy, which means that the persons of the Trinity are exposed to scarcity.

In *Divine Economy*, the relationship between value and order in competitive markets can be condensed into the following formula: subjective evaluations, guided by the desire elicited in the person's heart by God, including self-interest, will produce good order on competitive markets insofar as it plays out within the overarching framework of the church. The way that choices and subjective evaluations are conceived in *Divine Economy* amounts to an isomorphism with the concept of opportunity cost.

If we lift off from the micrological analysis, and turn to wider perspectives, the following circumstance may illuminate what goes on in *Divine Economy*. Bernard Dempsey, one of the protagonists in what Long calls the residual tradition, wrote his thesis in economics about the Salamanca School. This sixteenth century school was famous for its teaching on natural rights and liberty, and it inherited the just price doctrine. Langholm writes that the Salamanca School, taking the lead from Italian Renaissance thinkers, dismissed the just price concept of economic coercion—that is, the notion that if I have no other choice but this one transaction, I am forced to choose it. They also depersonalized economic considerations, and put more weight on the forces of supply and demand in determining justice in exchange.[193] Dempsey's advisor Joseph Schumpeter was influenced by his student, and came to understand some of the central thinkers of the Salamanca School to be the founders of scientific economics, prefiguring all the central elements of a supply-and-demand theory of value.[194] Among the few economists and economic historians who are interested in the scholastic just price tradition, it is not uncommon to view late scholastic economic thought as prefiguring the marginalist value theory. Be-

[193] Langholm, *Merchant in the Confessional*, 261.

[194] Monsalve, "Scholastic Just Price," 6, footnote 2. See also Odd Langholm, "The German Tradition in Late Medieval Value Theory," *European Journal of the History of Economic Thought* 15, no. 4 (2008): 568, https://doi.org/10.1080/09672560802480914.

cause of that, a theologian who draws on Dempsey's research on late scholastic economic thought to criticize marginalism might end up much closer to that same marginalism than he intended.

Long is not uncritical of Dempsey. But the critique of Dempsey has to do with the fact-value distinction. Dempsey read Thomas in the two-tiered way which is a misreading according to Long. In a fascinating discussion, Long corrects Dempsey's reading of Thomas in that regard—this is where we find the pages that I analyze in "4.1 A Theological Critique of the Fact-Value Distinction." The result of Long's correction of Dempsey's interpretation of Thomas, without critical scrutiny of Dempsey's late scholastic conception of value, seems to have produced the result that the demand side of Dempsey's understanding of value is uprooted from the natural—as in factual—realm and relocated to Thomas's and Long's conception of nature as ordered by grace. This way, Long's more theological reading of the same value theory displaces the supply-and-demand theory of value from a natural order to the order of salvation. Long's is, literally, an economy of salvation. In *Divine Economy*, we see a contemporary manifestation of the affinity between the marginalist price mechanism and the perennial Christian theological concern with good order.

As we saw in chapter two, however, Thomas did not imagine the market to harbor its own order. The market order had to be established and maintained by powers running outside of the market. Ideas of self-equilibration were developing but were not fully implemented in the idea of a self-balancing market until the marginal revolution. In *Divine Economy*, this later notion of self-balancing markets is coupled with Thomas's integration of theological virtues and trade in a manner that was not the case with Thomas himself. Thomas, in brief, had no conception of a self-equilibrating market.[195]

But if there are no vectors of power that run outside of the market to establish order and safeguard justice, as seems to be the case in *Divine Economy*, the question is what happens to the perspectives that are lost to the market mechanism. Mainstream economics, with its notion of a self-balancing market, discusses such problems—for example with the help of the concept of "externalities." Negative externalities must be tended to by political agency. It is in this context that the metalevel distinction between facts and moral values becomes crucial. Economics deals with the facts of economic matters, for example with calculating the environmental costs incurred by coffee production. Having clarified those facts, the question of what to do is left to political and moral considerations. In that sense, the distinction between positive and normative economics, or facts and values, plays an important role in contemporary market economies. In *Divine Economy*, Long targets this distinction

[195] Kaye on several occasions contrasts Thomas's writings with the "new paradigm" of self-balancing systems that Kaye traces. See particularly Kaye, *A History of Balance*, 49–56; 258–62.

without addressing the problems that this distinction helps pay attention to. The conception of the economy in *Divine Economy* is structured by principles isomorphic or even identical to a supply-and-demand theory of value, with the understanding of self-equilibrating markets, but Long rids himself of the idea of limits to the market mechanism—thus, he gets a laissez-faire market. Long's theological-economic vision in *Divine Economy* is a Christian version of marginalist rationality. In the Christian market economy, forces of supply and demand can be allowed free range because they are ultimately guided by the desire for God in human hearts.

In chapters three and four, I have shown that a theological link between value, order, and competitive markets is present in similar ways in the otherwise very different books, *Being Consumed* and *Divine Economy*. Both Cavanaugh and Long are nevertheless deeply critical of the globalized market economy. That raises the question of what it might look like when a contemporary theologian argues *for* the market economy from a theological perspective. In the next chapter, I will turn to a theological work that supports the basic tenets of the market economy, namely Albino Barrera's *God and the Evil of Scarcity*. Barrera claims that Christian theology and mainstream economics share some basic presuppositions of human nature, for example the structure of opportunity cost. The analysis of his book will help me to further examine the isomorphism that I found in the reading of *Divine Economy*. How is that understanding of human nature connected to other traditional loci in Christian theology?

As is visible in the title, Barrera's book is a theodicy. I argued in chapter two that one of the forerunners of the marginal revolution, Hermann Gossen, outlined his version of marginalism to effectively function as a rationalist theodicy. Before him, Reverend Thomas Malthus, often ranked among the classical economists, also wrote a theological-economic theodicy: the seminal *An Essay on the Principle of Population* from 1798. Malthus's work is the point of departure for Barrera in *God and the Evil of Scarcity*. Hence, Barrera's book will provide me with an occasion to probe the relationship between value as a cosmological problem and the role of evil.

5 *Homo Oeconomicus*: Reading *God and the Evil of Scarcity*

In Barrera's *God and the Evil of Scarcity*, we again meet a text very different from the preceding two. In chapters three and four, I worked with intratextual contradictions to show how theological ideas intended to amend ills in the market economy were isomorphic to central structuring principles in that which the texts criticized. Different from Cavanaugh and Long, Barrera is trained in economics and uses the economic concepts in a more lucid way. In *God and the Evil of Scarcity* he assumes that many of those economic concepts speak of the same human reality as Christian theology does. For Barrera, there is no question of a conflict between Christian theology and market economy; instead, theology can provide a broader framework for economics, guiding extra-market moral agency and policy making.

For my purposes, that means that I need not focus on self-contradictions in this text to see isomorphisms between Christian theology and the market economy. Showing the congeniality between Christian theology and the market economy is part of the intention of *God and the Evil of Scarcity*. The first step in my analysis will be to make the isomorphic structure more explicit and draw out its full theological and cosmological consequences. Having done that, I will turn to the internal contradictions in this framework in order to discuss what this economic-theological vision does to a) the understanding of the economic, and b) the understanding of God.

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God and the Evil of Scarcity as a whole is a thorough critique of Thomas Malthus's 1798 theodicy *An Essay on the Principle of Population*—more well known as an economic than a theological treatise. Malthus's suggested solution to scarcity as a problem of evil was that material lack is a means for God to control the size of populations as well as force growth of character and moral rectitude in individuals. Malthus's line of reasoning has not only influenced the development of the Darwinian theory of evolution, but also the cluster of ideas often called social Darwinism. In Malthusian terms: if society through poverty relief acts against God's order this will disturb the divine principle of population as well as the intended pedagogical effect of material lack. In *God and the Evil of Scarcity*, Malthus's theodicy is criticized on theological grounds. However, as the title indicates, the framing of material scarcity as a problem of theodicy remains: "Why does God allow material want in human experience? That is the object of this study's theodicy." (16)

God and the Evil of Scarcity consists of three parts. The first part uses Thomistic metaphysics to outline an economics of natural theology, where it is argued that since God is the perfect creator of the material world, this world must contain what is needed for all of creation to flourish. However, since we know that humans suffer want, it is argued that both the actual scarcity and God's intended sufficiency must be conditional upon human activity. The second part of the book teases out the economic aspects of scripture: the harsh historical reality of scarcity in subsistence agriculture, and the way biblical admonitions and visions in different ways encourage humans to cushion the effects of this reality. This human activity is undertaken while hoping and working for God's rule, where nobody hungers. Third, these two perspectives are combined into a synthesized argument for what is called a participative theodicy: if we collaborate and share the scarce resources of the Earth, they are sufficient for the flourishing of all; their sufficiency is part of God's good order. Since scarcity requires us to share, it teaches us the true value of life in community and love.

5.1 Anthropology: Creation as Economy

In this section, I will analyze the anthropological premises of the solution to the problem of evil in *God and the Evil of Scarcity*. I will show that they make up a thought structure isomorphic to the subjective value theory of marginalism, and spell out the cosmological implications of some of the text's central ideas.

5.1.1 Scarcity and Opportunity Cost

A fundamental point of departure in *God and the Evil of Scarcity* is that God is perfect and infinite, and, in contrast to God, human beings are limited in time and space. This theologically-grasped human existential limit is expressed in terms of the concept of opportunity cost:

> Even in the Garden of Eden, Adam and Eve are subject to opportunity costs, that is, they have to make allocative choices in how to keep themselves occupied, what to eat, and what life goals to pursue. [. . .] Unlike God, humans cannot be everything they want to be or be everywhere at the same time. They are limited by their human nature. (156)

Here we see that the premises of the concept of opportunity cost, interpreting human existence in terms of scarcity and rational choice, perfectly match a common Christian theological definition of the human being as corporeal, rational, and endowed with freedom of choice. Furthermore, this definition of the human being is intrinsically related to the definition of God. The limitations of human nature are expressed by recourse to the lack of limitations for God. The intrinsic limitation of human nature is not a result of the Fall but part of God's good creation.

In *God and the Evil of Scarcity*, this fundamental human condition is called "existential scarcity." Important distinctions within the concept of scarcity are made in "Appendix 1: Typology of Scarcity." Particularly interesting for us is the distinction between "scarcity as the need to allocate that comes with the corporeal feature of human nature (existential, formal, or antecedent scarcity)" and "scarcity that follows in the wake of moral agency (consequent scarcity)." (205) The latter type of scarcity is the one that can be addressed and adjusted. But existential scarcity is an aspect of human nature.

At first glance, existential scarcity would seem to be part of all of creation and not just humanity, since it is inherent in physical existence. However, as the explanation of the definition continues, the ability to allocate becomes central, implicitly understood in terms of rational choice. This feature is specifically connected to human nature: "human beings face a constant multifaceted need to allocate—choosing between competing activities they could undertake and between alternative goods or services they could produce, procure, or consume in pursuit of their ends"—thus, human beings "simply have to make choices [. . .]." (205–206) In this sense, only rational creatures—humans—are exposed to existential scarcity as having to make free and reasoned choices. As seen in the quotations above, this means that humans are by their very nature exposed to opportunity costs. Scarcity is therefore what gives rise to economics, "both as an academic discipline and as a human activity." (206) In this context, opportunity cost and scarcity are tightly linked: the "existence of an opportunity cost is both a necessary and sufficient condition for the phenomenon of scarcity." (207) The fact that we cannot do two things at the same time means that there is an opportunity cost to every action taken, and thus that scarcity in this precise sense is part of being human. Human existence as such is necessarily economic, and the discipline of economics deals with a fundamental condition of human life.

I want to underscore the smoothness with which these concepts can be inserted into a Christian theological framework. Human corporeality is interpreted in terms of competing options; competing uses of one's time exceeds or is just about equal to the supply. Because of that, one must make allocative choices which means that a human being is constantly assessing opportunity costs. The interpretation of human existence in terms of the concept of opportunity cost fits the theological definition of God as perfect and absolute, and creation as contingent and limited. In the next section, I will discuss the relationship between this understanding of human nature and the rational order of God's creation in *God and the Evil of Scarcity*.

5.1.2 Order and Secondary Causality

In *God and the Evil of Scarcity*, creator and creation are defined in opposite terms in a way which at the same time entails a connection between them: God is absolute and has necessary existence; creation as contingent derives its existence from participation in this absolute existence. But creaturely perfection that goes beyond the goodness of existing depends on the creature's activity: "Creatures build on their initial perfection (of existence) to reach for other necessary, albeit additional, perfections according to the mode of their being and operation." (21) Different creatures have different modes of being and operating. The mode of humans "is intelligent activity; it is through their reasoned use of freedom that humans acquire the requisite supplementary perfections that make them truly and fully human—growth in moral virtue and character." (21) Note that the "reasoned use of freedom" leads to growth in virtue. This close tie between rationality and morals is a recurring idea in *God and the Evil of Scarcity*.

Creatures build on their initial perfection of existence through their particular mode of being and operation. This activity unfolds in the twofold order of the universe. The external order of the universe concerns God as the telos of creation; the whole of creation is geared toward God. The internal order of the universe concerns how the different parts of the universe interact in order to move both the parts and the whole toward God. In this overarching process of order, human beings have their role to play. As we have seen, the mode of being and operation of human persons is the reasoned use of freedom which makes them grow "in moral virtue and character." In the movement of both all the parts and the whole towards the common telos, economic considerations are crucial:

> There is a necessary economic dimension to human flourishing and the attainment of that final end in God. After all, human beings are material and require food, clothing, shelter, and medical care if they are to survive and attain a modicum of basic health that allows them to function and grow. Moreover, the pursuit of intelligent activity, even of the most spiritual kind, for example, study and contemplation, requires material inputs as well, such as books and proper education. Furthermore, humans are social beings and thrive only within communities. Economic life is communal by nature [. . .]. (24)

This line of reasoning suggests a circular chain of causality: material provision is needed for human flourishing; this material provision depends on the rational and moral organization of the community; growth in these virtues in part depends on material provision. The human capacity for this rational organization grows or diminishes with the ability of the economic organization of the community to provide the necessary material input for rational development.

This circularity is connected to the problem of sin. The opposite of the virtuous circle is the sinful circle. Sinful behavior on a communal scale will impede the development of people, thus impeding that rationality which is connected to moral rectitude. To clarify the role of sin, we shall take a look at a discussion revolving around the economic laws of the Hebrew Bible. In *God and the Evil of Scarcity* it is argued that those laws taken together constitute an egalitarian vision of a safety net in a subsistence economy in which a bad harvest could otherwise lead to debt slavery. Not being enforced by any state, the biblical laws are instead understood to have been an invitation from God to participate in a virtuous transformation of societies. The effect of scarcity on this situation would make obeying the laws difficult, particularly in the case of the Sabbath-fallow. The Sabbath-fallow is the biblical commandment to let the land rest every seventh year, a commandment that would be difficult to follow in a society of subsistence agriculture. To practice Sabbath-fallow would have required a high degree of cooperation in terms of sharing risks as well as whatever was surplus. According to *God and the Evil of Scarcity*, the Sabbath year is for that reason linked to virtue and sin in more than one way:

> The nonobservance of the requisite Sabbath rest is sinful and is often deemed to be the root cause of many other offenses against the Lord. I propose that the causation also moves in the opposite direction. Sin causes the nonobservance of Sabbath rest, especially of the Sabbath-fallow, because moral failure erodes the economic foundation crucial to producing the necessary surplus [. . .]. After all, producing the necessary surplus that permits the observance of periodic Sabbath-fallow years requires profound mutual cooperation, hard work, and rectitude in moral behavior. [. . .] Due order is always a necessary condition for Sabbath rest. (89)

When the Sabbath rest is enjoyed, it is intrinsically linked to God's intended order in creation. Building an economy according to the divine order increases the material provision needed to develop the capacity for discerning and keeping this order. To work this out in itself constitutes a venue for growth in free rationality. All of this is on a communal rather than individual level.

Regarding the corresponding negative spiral of sin, it is argued that the original sin of Adam and Eve creates difficulties for humanity in conforming to the good economic order: "original sin leads to a disordered reason and freedom [. . .]." (157) Sin disturbs human activity in secondary causality. However, the human capacity to initiate a positive spiral of material sufficiency remains. Reason and freedom are disordered so that this disorder becomes attractive in itself, but this does not make adherence to God's order impossible. The relationship between human corporeality, material scarcity, morality and rationality in this particular way becomes “a self-reinforcing, self-feeding cycle that can lead to much good or ill.” (36)

To summarize what we have seen so far: the metaphysical framework of *God and the Evil of Scarcity* posits that material sufficiency for all of creation is part of God’s intended order, and that human beings have a pivotal role in this order, individually and collectively. The key to the realization of this order is the human capacity for free and rational activity. My next step will be to show that this structure is isomorphic to the subjective theory of value but encompasses the idea of meaningful human existence as such.

5.1.3 Quantity and the Gift of Value

In relation to scarcity as a problem of theodicy, the issue of quantity becomes paramount in *God and the Evil of Scarcity*. Why did God not provide creation with unconditional material sufficiency, given that that in itself would not compromise existential scarcity with its corollary human freedom? Why only material sufficiency conditional upon, and thus vulnerable to, human morality and rationality?

In the speculations into the reasons for the scarce state of things, the features of bodily existence come to the fore, now intrinsically connected to a notion of the human as possessor: “People are not immaterial minds floating about but are embodied intellect and freedom. This means that *being* and *having*, while distinct from each other, are indivisible; for a human person, the statement ‘I am’ is inseparable from ‘I have’ a body.” (164, italics in the original) A conceptual framework of bodily existence as a continuum between being and having is thus established. What we are and have are our primary means for relating to one another—we communicate by means of our bodies and our possessions.

In this continuum of having and being, quantity is critical. Humans need a certain quantity of nutrition for survival and health, so increased scarcity in this regard increases the risk of impeded flourishing. But in a world were procuring nutrition required no effort at all, the important relational dimensions of giving and sharing, of collaboration and striving would be affected. For those reasons, according to *God and the Evil of Scarcity*, God created a world of conditional material sufficiency: conditional upon the instrumental activity of humans; upon their sharing, collaborating, and giving. Ours is a world in which this gift of conditional material sufficiency “bears within it another gift—the gift of instrumentality.” (173) The greater the scarcity, the greater the role of human instrumentality and the need for trust and faith in sharing, collaborating and giving. This is the theodicy of *God and the Evil of Scarcity*. The combination of human existence as constantly assessing opportunity costs and a precise degree of material scarcity means that this world is the best possible world. We will return to this logical structure, but first, we need to understand exactly in what way this theodicy is isomorphic to the subjective value theory.

A discussion regarding how possessions function as "the critical tools and outcomes of our operations as we acquire additional perfections" is immediately followed by the comment that "[s]carcity enhances the value of all these [. . .]." (166) Scarcity enhances the value of what we have, and what we gain from using what we have. In this quotation, "value" cannot be the price of a commodity, given that it refers to the moral sphere of growth in character. Yet this "value" is subjected to principles similar to the law of supply and demand: if demand exceeds supply, value will increase; if supply exceeds demand, value will decrease. The principle of the curves of supply and demand intersecting in market price is explicitly used to interpret human existence in the first appendix. As discussed above, human nature is argued to be exposed to opportunity costs and scarcity in that appendix. The example used to explain this is taken from how the curves of supply and demand interacted as crude oil's market value rose with its increased potential usages in the industrial revolution (206). In brief: in human existence, with lesser quantity or larger need, value increases. This goes for crude oil as well as, for example, the span of one's life, or the manifold but limited potentialities implied in every here and now. The concepts of value and evaluation are relevant in both contexts in the exact same sense.

My point is that the theological interpretation of created human existence in *God and the Evil of Scarcity* is isomorphic to the premises of marginal utility. However, the consequence of this striking isomorphism is not a free-market argument, nor is it an argument for creation as an antagonistic situation of competition between individuals. This begs the question: why not?

In *God and the Evil of Scarcity*, sharing is subsumed under the concept of opportunity cost. As spatiotemporal beings we always need to prioritize between "competing demands," or different lines of action. There are always a number of possible uses for what one has. Depending on what course of action the individual chooses, the outcome in relation to others may be antagonism, trading, sharing, or collaboration. If you and I both want the same apple, and if we value the relationship and one another higher than the whole apple, we will share it.

This logic is translatable to the price mechanism. The whole apple is the price I am willing to pay for staying on good terms with you. Existential scarcity as a thought structure—corporeality and freedom of choice—is exactly isomorphic to opportunity cost. Furthermore, the function of existential scarcity in relation to the good order of the universe is isomorphic to the function of opportunity cost in relation to market price. *God and the Evil of Scarcity* contains a cosmology that is also a value theory.

This value theory is a solution to the problem of the evil of scarcity in the following sense: material scarcity (a limited number of apples) turns into a conditional material sufficiency (enough apples) through existential scarcity (freedom of choice in a finite body). If we could have both all the apples we wanted and all the friends we wanted, then we would not have to decide which is more important to us. Or more precisely, none would be more important, they would just be. The marginal utility of each friend and each apple would not exist in our minds, much like air has no marginal utility to us. The existential situation of opportunity cost is what enables us to perceive value, or even forces us to do so as we must evaluate competing options. Value is only possible because of lack.

Since value can only be experienced under those conditions, it is not universal. It requires existential scarcity. Value is a gift to humanity. Furthermore, we can conclude from this line of reasoning that we will always perceive value subjectively. And it is always relatively determined: I value x higher than y. In this existential subjective value theory, the market mechanism seems if anything a special case of an all-encompassing human condition.

That, however, raises a crucial question: how is market exchange to be theologically differentiated from non-market interaction? In *God and the Evil of Scarcity* there is a clear awareness of the limits intrinsic to the market mechanism. There is no notion in this book of a market that can by itself transfer resources from rich to poor in order to level income distribution. Instead, the idea is that competitive markets are part of a good economic order, but that human economic agency ranges far wider. Here, we see an internal contradiction in *God and the Evil of Scarcity*—namely that the market is considered a distinct sphere, while simultaneously falling within the general theological understanding of human agency. There is no clear explication of why human agents act in one way on the market, and another outside of it—that is, in brief, why market laws are different from the rest of human behavior. That contradiction will be my focus in the next section.

But before moving on, let us sum up the present section in one sentence: I have shown that the interpretation of human existence as existential scarcity—embodied freedom of choice—in combination with theodicy gives us a thought structure isomorphic to the subjective value theory of the market economy, on a cosmological scale.

5.2 The Market and Human Responsibility

In *God and the Evil of Scarcity* we find the contention that extra-market human agency is necessary for a well-functioning market economy. As we have seen, this is consistent with mainstream economics. The whole argument of *God and the Evil of Scarcity* concerns the metaphysical warrants for such ethically motivated agency to be part of a good economic order as intended by God. But a complication also resides here. What distinguishes the market from the rest, given that the market is essentially an aggregate of individual human beings?

As explained above, our world is one in which the degree of scarcity in material resources requires us to share and collaborate. Under the heading "Economic transfers as correctives," the following line of reasoning is found. Presently, "individual human beings will experience different degrees of sufficiency in their material provisioning", ranging from luxury to dire lack (33). These differences "stem from moral evil and the contingency of social processes and outcomes. They can be rectified only through voluntary, intelligent activity." (33) The point here is that God has provided enough, as long as we humans share. The destitution of some is not part of a divine order. Instead, sharing is part of that mode of being and operation of human beings, free rationality, so sharing is called "corrective transfer." If I give of my surplus, I partake in the truly natural order. However, that still places the weight of economic agency with wealth.

Such actions are individual. What about societal structures? There are not many specific discussions around particular forms of contemporary social institutions. However, the book initially claims to articulate "both metaphysical and scriptural warrants for activist ameliorative social policies." (xiv) Furthermore, some possible concretizations show up at the end, for example here:

> Participative theodicy's call for re-centering our understanding of economic activity around universal basic-needs satisfaction complements economic scholarship on merit goods . . . Certain goods or services, such as education and school lunches, are deemed to be essential for human development and growth. They merit widespread distribution through the extra-market intervention of government or community institutions. (192)

Merit goods are goods that would be underconsumed or underproduced if left to the market mechanism, but that create positive externalities in the long run. Universal education, for example, is economically efficient for a society, no matter whether all people want to consume it or someone wants to produce it. To leave the task of education to the market is economically inefficient.

In the quotation, the complementary relationship between the project of *God and the Evil of Scarcity* and the scholarship on merit goods is established. The point is clarified in footnote twelve on that page, as follows: economic efficiency is normally taken as the end for merit goods, but in *God and the Evil of Scarcity*, the goal is instead human flourishing. Thus, *God and the Evil of Scarcity* provides the merit goods discussions with a "foundational standard: the instrumental value of goods in effecting human flourishing." With the help of this "foundational standard," one can determine what should be included in merit goods. This means that there would be a political responsibility to provide all human beings with what is needed for their flourishing, no matter if it is economically efficient or not. The consequences of making human flourishing a merit goods criterion are far-reaching.

All of this makes perfect sense in many regards, but not in one important respect: *God and the Evil of Scarcity* contains no substantial distinction between human agency in markets and outside markets. Different kinds of behavior are assumed to play out on the market, on the one hand, and in politics and a broader social sphere on the other. The latter behavior is claimed to be able to compensate for the limits of the market mechanism. But the problem is that the human being that acts "intra" and "extra" market is the same. The prime minister of Sweden also goes shopping, as does the economist who researches merit goods and the philanthropist who donates money to charity. Why would they act in one way in the market, and in another way outside of it—donate money in one instance, and be sure to strike a good deal in the next? Why would the prime minister of Sweden act shortsightedly and selfishly while bargaining in the market, but during working hours provide for general human flourishing in extra-market interventions? My point is not that this could not be the case, but in *God and the Evil of Scarcity* there is no substantial argument for such a distinction. There is no conceptual distinction between market agency and the "corrective" extra-market agency. This becomes particularly problematic in *God and the Evil of Scarcity* because it promises to "provide the foundational building blocks for a theology of economic agency." (201)

Importantly, the borders drawn in *God and the Evil of Scarcity* between the market and the corrective human agency coincide with the inherent limits in the market mechanism. Where the market mechanism cannot deliver, political and moral agency should step in. It is as though the market mechanism was a natural phenomenon to which human agency has to adapt and respond. The economic sphere is occasionally explicitly likened to natural forces in *God and the Evil of Scarcity*, for example here:

> Physical evil precipitates material shortfalls through natural disasters, chance, and contingency in the nature of economic processes or other nonmoral failures of defectible secondary causes. For example, material shortages occur because of intrinsic imperfections in market operations such as business cycles that generate costly and disruptive alternating periods of inflation and unemployment, of booms and busts. Moreover, weather, natural calamities, and disease hamper both the production and distribution of much-needed goods and services. (157)

Market forces and natural forces are lined up together as problems that human agency should compensate for. For the reader unfamiliar with the term: business cycles are "busts and booms" as the text has it—business cycles occur at the macroeconomic level and on the timescale of years, where periods of rapid growth are followed by periods of contraction, and then growth again. The causes of economic expansion and contraction will differ, but in general, human behavior is an important part of it. So, considering the anthropology of existential scarcity in *God and the Evil of Scarcity*: what is the difference between the aggregate of human decisions that contribute to such business cycles and the human behavior that is supposed to compensate for them?

The market mechanism depends on the aggregate of opportunity cost decisions in relation to things that are on the market and will generate information that can order subsequent behavior. Opportunity cost decisions are human, and they cover the whole range of human behavior. There is no other human agency to which we may have recourse to correct market failures. The way that this aporia in *God and the Evil of Scarcity* seems premised on the isomorphisms with the market economy is indeed interesting. However, we cannot solve this issue here. It is time to explore a different tension in the premises of *God and the Evil of Scarcity*—more precisely, in the text as theodicy. In the next section, I will show that the theodicy construct reveals a potential internal contradiction to a traditional Christian conceptualization of God.

5.3 God: Value Theory as Theodicy

In this section, I will analyze what the subjective value theory as a theodicy implies for the concept of God in *God and the Evil of Scarcity*. My main argument is that the form of theodicy draws Godself into the logic of opportunity cost calculations. But the way that the theodicy is premised on the definition of God as perfect introduces a tension into this structure. A perfect God cannot—logically speaking—be exposed to the opportunity cost situation.

A logical or rationalist theodicy defends the possibility of the existence of an all-good and almighty creator in the face of evil, and *God and the Evil of Scarcity* is such a theodicy. The evil addressed is visible in the title: scarcity. The answer it provides is a combination of emphasizing human instrumentality in the order of creation, and arguing from a metaphysical framework for a sufficiency in material resources. In principle, a degree of scarcity becomes a good in itself since the greater the scarcity, the greater the role of human instrumentality and the need for trust and faith in sharing, collaborating and giving. A degree of material scarcity enhances community and love. Yet, the scarcity is not such that anybody need suffer dire want. If we share, everyone can flourish, while we also grow in the virtues that are central to human nature. This is the logical theodicy. The combination of human existence as constantly assessing opportunity costs with a precise degree of material scarcity means that this world is the best possible world. This theodicy therefore has a strong normative aspect to it: the outcome of the logical argument is a moral exhortation, as seen above. Here, however, I will focus on the logical construct.

The following sentences legitimate this theodicy, and bespeak its premises:

> There is no necessity to God creating a world of mere *conditional* material sufficiency. God could have easily chosen otherwise and provided for an even stronger form of material sufficiency [. . .]. Thus, there are grounds for this study's speculative exercise in understanding why God as benevolent Creator chose not to do so. (237, italics in the original)

The premise of the theodicy is that God could have created a different world. Indeed, this is the premise for every rationalist theodicy. God has freedom of choice. We have seen that in *God and the Evil of Scarcity*, human freedom is premised on human limitations: we cannot do everything but have to choose. This condition is what makes freedom a meaningful term in relation to human existence. Freedom and opportunity cost are closely linked: "without opportunity costs attendant to the exercise of freedom, there is no point to freedom at all." (157) The question is if God's freedom entails opportunity cost. I will argue that, in the theodicy construct, it necessarily does.

First, however, we must remind ourselves of the obvious: human and divine freedom are not necessarily analogous. The line of reasoning does not exclude the possibility of a divine freedom without opportunity costs: "Unlike God, humans cannot be everything they want to be or be everywhere at the same time. They are limited by their human nature." (156) Unlike God, I cannot be everything or everywhere; I am limited by human nature. Implied here is that the divine nature is not limited, and therefore not exposed to opportunity cost. Still, as we have seen, the premise of *God and the Evil of Scarcity*—in fact, of any theodicy—as a speculative exercise is that God chooses: "God could have willed into existence an order of creation characterized by a 'sustenance without care' [. . .]." (xiv) This idea implies that a different option was foregone, an un-realized potentiality—which is usually the very definition of opportunity cost.

Let us take a look at the definition of opportunity cost in *God and the Evil of Scarcity*. The relationship between opportunity cost and scarcity is expressed with precision:

> The existence of an opportunity cost is both a necessary and sufficient condition for the phenomenon of scarcity. It is defined as the foregone alternatives to the choice one makes. An opportunity cost arises only if the object of choice has multiple competing, alternative uses that exceed available supplies. (207)

Opportunity cost is said to be a necessary and sufficient condition for the phenomenon of scarcity. This is a way of expressing a logical relationship. The full implications of this expression are not spelled out in *God and the Evil of Scarcity*, but it also means that scarcity is a necessary and sufficient condition of opportunity cost.[196] One proposition is logically convertible with the other,

[196] To the reader unfamiliar with those terms, here is a brief explanation of the relationships. If opportunity cost (O) is a necessary condition for scarcity (S) that means that without opportunity cost, we have no scarcity. S is true to the degree that O is; if O is false, so is S. In other

which means that according to the definitions of *God and the Evil of Scarcity*, opportunity cost and scarcity always occur together and never separately. This means that if God chooses between two or more options and in taking one line of action also foregoes the other, then God is also exposed to scarcity.

However, the definition of opportunity cost in *God and the Evil of Scarcity* also includes the condition that the alternative uses must exceed supply. I have to show that this is the case with the concept of God in *God and the Evil of Scarcity*, or my claim above does not hold. One could argue that for a perfect God, demand cannot be imagined to exceed supply. But if the perfect God creates but one world where good is maximized, then there are two possible interpretations. First, we can interpret this as though God chooses this world and foregoes all other options. Existence is a good in itself according to *God and the Evil of Scarcity*: "Existence is . . . the primary goodness from which all other creaturely perfections follow." (19) If existence is a good in itself, then these non-existing possible worlds are deprived of a good that God could have given them. Those worlds are in themselves the demand that exceeds supply. The opportunity cost is the next best world that was never created.

Second, we can interpret this as though God will only create the best possible world, because, as perfect, God does not choose. Or more to the point: if God as perfect of necessity creates the best world, God cannot choose which world to create. Only perfection will flow out from God's perfect nature. In other words: either God is free to choose, which means that God is subjected to scarcity; or if God is perfectly infinite in all respects, God has no freedom of choice.

There is a solution to this contradiction, but it is a solution that undermines the very idea of theodicy. Let us examine this solution. The second interpretative option—to understand divine nature as perfect but unable to choose—unlocks a particular tension internal to the concept of God as perfect. For a perfect being there is no need to prioritize or make hierarchies. If opportunity cost and scarcity always occur together and never separately, and opportunity cost is the premise for evaluation and for value as such, then God as omnipotent, omnipresent and omniscient cannot evaluate. This statement will be interpreted differently depending on the understanding of "evaluation." If evaluation is a capacity, then God's perfection produces God's incapacity. That God cannot evaluate translates into an inability to evaluate. If evaluation is not understood as a productive ability, but as a problematic phenomenon that

words, if we have scarcity we know that we have opportunity cost. If O is a sufficient condition for S, that means that if we know that we have O, we can conclude that we have S; but if O is false, that does not lead to the conclusion that S is false. When the two statements are combined—O is a necessary and sufficient condition for S—this translates to "O if and only if S." Opportunity cost if and only if scarcity. Further, the necessity of one (O) for the other (S) is equivalent to the sufficiency of the other (S) to the one (O). Thus, if O is a necessary and sufficient condition to S, then the statement is reversible to S being the necessary and sufficient condition to O. "O if and only if S" equals "S if and only if O."

arises out of a lack, this logic may translate to a theological critique of evaluation—and thus of value.

Furthermore, note that in a theodicy, the law of non-contradiction works as a premise. Imagine instead a perfect God who creates an infinite amount of different but perfect worlds. In that case, we would not be able to use logic to deduce the ultimate rationality of this world. There may be a rationale for this world, but its particular configuration is hidden from us, since it cannot be deduced neither from speculative reason nor from experience. In that case, the only conclusion possible would be that there is a reason for why this world is the way it is, but we cannot learn that reason ourselves. The theodicy construct, as it operates in *God and the Evil of Scarcity* as well as in general, is instead bound to the law of non-contradiction, which makes other potential worlds truly opportunity costs to our world. In *God and the Evil of Scarcity*, God is exposed to scarcity.

5.4 Surfacing from the Micrological Reading

In this chapter we have seen a third version of the theological-economic problem complex of value, order, and markets. More precisely, in "5.1 Anthropology: Creation as Economy," we saw that the human being as creation is exposed to opportunity cost decisions, and she can, through such decisions, partake in the divine order of creation. Because material provision is limited, the material world as well as our interpersonal relations achieve larger significance to us, as scarcity enhances value. Embedded in the gift of conditional material sufficiency we thus find the gift of human instrumentality: the gift to truly matter to one another. Hence, we see here the same isomorphism between Christian theology and the market economy as we did in the previous chapters: the anthropological assumptions of scarcity and freedom of choice, in economics known in terms of opportunity cost.

In "5.2 The Market and Human Responsibility," we saw that according to *God and the Evil of Scarcity*, human agency should compensate for the market's imperfections. But there are no warrants in *God and the Evil of Scarcity* for a difference between human agency in the market, and human agency that compensates for the limits of the market mechanism. Human existence as such is subsumed under the framework of opportunity cost. So, how come the market is ordered in one way, and other forms of human agency can work morally and politically toward flourishing for all?

In "5.3 God: Value Theory as Theodicy," I argued that the very notion of a theodicy is premised upon a rational choice concept of God, that necessarily exposes God to scarcity. It is also premised upon God's perfection. Therefore, there is a contradiction inherent in the concept of God in *God and the Evil of Scarcity*. I argued that this contradiction opens up for a theological critique of value; that the capacity to evaluate is not a capacity but a lack.

Just as in the previous micrological analyses, in *God and the Evil of Scarcity* subjective evaluations are perceived to be a possible vehicle for a good economic order. However, the notion of order takes on a different meaning here since this is a proper theodicy. Order is already inscribed into creation as such; the subjective evaluation—existential scarcity—is already a part of this created order. The economic good order that may or may not come out of this, the intended material sufficiency, is an outcome of how humans make use of their existential condition of scarcity. Markets are a subset of this larger order, but not the only or even the primary vehicle of human agency.

To condense this configuration of the theological-economic complex of value, order, and markets: the good created order will give rise to people's continuous evaluations, which will in part play out on competitive markets, and also in non-market forms. If humans adhere to the good created order, the economic order will be good too.

We recognize the same isomorphism—in terms of the anthropological premises of a subjective value theory—between Christian theology and the market economy that we saw in *Being Consumed* and *Divine Economy*. However, there are also significant differences. In the analysis of *God and the Evil of Scarcity* the isomorphism is not drawn out by means of my interpretation of self-contradictions—on the contrary, Barrera argues for this common ground for economics and Christian theology himself, and uses it constructively to formulate a theological reorientation of the economy. *God and the Evil of Scarcity* is an instance in which this thought structure has explicit bearing on Christian theology. Furthermore, conscious consumerism is not emphasized in *God and the Evil of Scarcity*. Compared to the previous two chapters, here the role of institutions and extra-market transfers are given more importance.

Barrera's idea of a spiraling effect of good or bad economic order is interesting in relation to the role of sin in the germinating scholastic value theory that we discussed in chapter two. I argued that in patristic discussions of market value, price was consistently seen as a sign of a disordered fallen world. In scholasticism, the problem of the sin of avarice, or greed, increasingly came to be understood as a danger external to the trading situation itself—merchants could lawfully make gains. That way, market value could be viewed as being ordered, although I argued that it continued to be viewed as a worldly rather than a good order. Competitive markets had to be manufactured, so to speak, with the help of value theory. In *God and the Evil of Scarcity* we see again that the problem of sin is perceived as distorting free rationality, leading to a spiral of disorder. Yet Barrera comes nowhere near to seeing market price as a sign of disorder in itself, the way patristic thinkers would have. Instead, he argues more along the lines of late scholastic thought, that it is natural that price rises with increasing demand or diminishing supply, and that the overall economy has to be carefully regulated through extra-market actions so as to dampen the effects of sin and help create a virtuous cycle of good order.

By virtue of a more realistic assessment of the market mechanism's moral and theological scope, Barrera's *God and the Evil of Scarcity* leads us with renewed force to the question of how to perceive the status of that which is externalized from the market. Barrera shares his existential anthropological assumptions with those of mainstream economics. From the perspective of the premises of this theory, there is no conceptual means by which one may keep the market separate from political and ethical considerations—except for the necessary limits to the market mechanism itself. In the discussion in relation to merit goods, it is made clear that someone has to make sure that the basic needs of every single person are met, and the market cannot do that—this is the very purpose of merit goods, to look to the production and distribution of goods that the market cannot take care of. The market mechanism itself externalizes, and the incorporation of what it externalizes into the economy hinges on politics and ethics. But politics and ethics concern not a different humanity than the *homo oeconomicus* of the market mechanism, but necessarily turn on the same anthropological premises.

The lack of conceptual differentiation means that opportunity cost can in principle cover all of human decision making, and that the recognition of the inherent limits of the market mechanism as a form of social organization will necessitate a philosophically speaking arbitrary separation of economics from, say, politics. This problem is not merely a matter of unrefined philosophy of science, or pragmatic division of labor in academic institutions. The problem has the consequence that things that are absolutely crucial to a real economy are not incorporated into the economic order itself. They become externalities, like soil fertility and pollution; or merit goods, like education; or invisible, like the demand of people without money.

The problem is not that such issues are not given attention in economics departments worldwide. But in a market economy, much of human behavior is coordinated through the market mechanism. That which falls outside of the market mechanism tend to be perceived as matters of normative value judgements and political ideology, although soil fertility is both factual and economically relevant. In this sense we can see that Long's attack on the fact-value distinction in terms of economics has some grounds to it: perhaps not so much in a two-tiered conception of reality in economics departments, but rather (more seriously) in terms of a practical outcome of the market as a form of social order.

We saw in chapter two that it has been argued that Adam Smith's notion of markets is a theodicy. But while Smith can be understood as responding to the problem of evil, it is not a theodicy in Leibniz's logical sense of the term. In the present study, I have preferred to limit the term theodicy to the latter meaning, since this delimitation allows us to focus more narrowly on the premises of value theory. Leibniz's mathematical innovations, intrinsically connected to his metaphysics of theodicy, were what enabled the groundbreaking mathematical economic theory of Hermann Gossen. Thus, I argued that a byproduct of Gossen's laws of economic behavior or marginal utility is that they effectively constitute such a logical theodicy. The question is whether the theoretical structure of the market economy is still possible to read as a theodicy—in which case the subjective value theory still has cosmological implications. In *God and the Evil of Scarcity*, that is exactly what happens. Barrera's present-day construct indicates that the theological structuring principles linger in mainstream economic thought. The basic concepts of mainstream economics can still be interpreted in theological terms without much difficulty.

The tension that I argued is present in the concept of God in *God and the Evil of Scarcity* is not unanticipated in Christian tradition either. If one combines the law of non-contradiction with the notion of a perfect God, one inevitably run into contradictions. Historian G. R. Evans aptly summarizes a certain type of discussions during the time of Anselm of Canterbury:

> Is there anything an all-powerful God cannot do? He cannot deceive or be deceived. He cannot be unjust. He cannot act unwisely. He cannot die or destroy himself. He cannot act in any way which is contrary to his goodness. Anselm of Canterbury would say that to act in any such way would be for God to act against his own nature, and that would be not a power but an impotence. And there are many things logically impossible which God can do, because they are good and he is both good and all-powerful.[197]

If we were to apply Anselm's response to the speculations concerning the contradiction in the concept of God to the similar ones present in *God and the Evil of Scarcity*, we would say that God creates worlds according to God's nature. God does not evaluate different options in order to maximize utility, because such evaluation is a sign of imperfection. Furthermore: a perfect God is not bound by the law of non-contradiction.

By now it seems that the problem of value should be part of Christian doctrinal considerations. Yet it is rarely addressed directly in contemporary theology, academic or otherwise. Next, however, we shall turn to a book that is entirely centered on a quest to understand the value of values: *Theology of Money*, by Philip Goodchild. In chapter two, I cited Hengstmengel's observation that the patristic theologians developed a psychological understanding of subjectively perceived desire, but not an economic theory of value. In his book, Goodchild offers what one might call a contemporary version of such a psychological analysis of value, combined with a political-theological analysis of modern money. In the micrological reading of *Theology of Money*, we shall gain new insights regarding the theological-economic problem of value in relation to the dynamics of desire and the problem of sovereignty and political authority.

[197] G. R Evans, "Berengar, Roscelin, and Peter Damian," in Evans, *The Medieval Theologians*, 90.

6 The Recursiveness of Value: Reading *Theology of Money*

In *Theology of Money* by Philip Goodchild, money as such is scrutinized as the social institution that makes complex market exchange possible. That distinguishes Goodchild's approach from the other contemporary books analyzed in this study. Through the focus on money, intricate problems of distribution of power are exposed. In *Theology of Money*, the searchlight is set for true value, or rather, for the source of the value of values, and money is argued to obscure that source. That means that *Theology of Money* shares a trait with my own study: namely, that the dual meaning of the term "value," as economic value and moral values, is not coincidental. Both of these features of *Theology of Money* can be observed in the following quotation: "Far from being represented by a price or possessed as a property, true value is that which can never be mastered. Only in a culture governed by money is it possible to imagine that there are no true values." (183) Value and values are used almost interchangeably. In this respect, Goodchild's book is the study closest to my own. Value itself is not openly subjected to scrutiny in *Theology of Money*, but as we have learned by now, value is far from a simple concept. The way that the reality of value is taken for granted creates ambiguities and contradictions in the book's analysis of money. Those ambiguities and contradictions are my privileged subject matter in this chapter. They run in several different directions, but I will primarily use them to disentangle the assumptions about value from the book's analysis of money. This disentangling of value from money in the analysis of *Theology of Money* will advance my own understanding of the problem of value significantly.

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In *Theology of Money* it is argued that the discipline of theology cannot be neutral on or disinterested in the subject of money: "Theology, concerned with the ultimate criteria of life, is the most fundamental and radical inquiry. [. . .] It has the duty to invest life with the deepest layers of spiritual wealth—that is, it has to determine what is the nature of true wealth." (4) This is the vocation of theology, the task it cannot leave behind without ceasing to be theology. Presently, it is argued, money has been given a key function in this evaluative process in a way that inhibits such discernment of true wealth on the collective level. By functioning this way, money has become a principle of spiritual power in our present social order.

Theology of Money consists of three parts. The first part, "Of politics," shows that the conception of political agency in liberal political theory is possible only at a certain level of division of labor and exchange processes that require the existence of money—that is, the autonomous subject is possible only if there is money at hand. The analytical thrust of political theology in the vein of Carl Schmitt is used to discuss the role of money in political thought. In that context, the role of the current banking system—fractional reserve banking—in which money is often created as loan against interest, is also discussed. The second part, "A treatise on money," considers the "nature, function, and promise of money in relation to the means of production or capital, the social institutions of market and contract, and the formation of knowledge through accounting." (22) This quotation not only elucidates what the second part takes up, but also the way that the whole life and world of the modern subject are drawn into the book's interrogation of money. The question is what money allows us to see, or even makes us see, and what is veiled in a monetary economy. The third and last part, "Of theology," is a conclusion which casts the analysis of the previous two parts in a theological light, discussing how money as an institution becomes a spectral force, and the theological implications of this situation.

6.1 True Value

I begin with the understanding of value and values as true and real in *Theology of Money*. The book itself contains no outline of a value theory, but the existence of what is in the book called "the source of the value of values" is taken for granted. This notion is employed in the analysis and critique of money. The main argument in *Theology of Money* is that in our contemporary monetary economy, evaluation is subordinated to the power of money. Money is needed for any evaluation to be effective and thus becomes what is most valued, at the same time that money has the function of a unit of account, measuring value. In this way, money posits itself as supreme value. Liberating our evaluative capacity is therefore a key theme in *Theology of Money*: "The proposals of this study are intended to pose the problem of the emancipation of evaluation." (258)

The existence of true value is beyond doubt according to *Theology of Money*. But true value, it is argued, cannot be represented with the help of money. On the contrary, the workings of money occlude the reality of value: "Far from being represented by a price or possessed as a property, true value is that which can never be mastered. Only in a culture governed by money is it possible to imagine that there are no true values." (183) According to *Theology of Money*, one of the problems with money is precisely the way that it supposedly accounts for a reality which supersedes it, as though money could neutrally represent wealth or value. But money is no mere passive instrument, in this line of reasoning; money has an active role in evaluation. For one, money enables and creates markets. Furthermore, money's unsurpassed liquidity makes it a vehicle for social power—which also makes money the most desired object. Another significant problem is that when transactions are monetary, different economic processes are levelled so that the generation of wealth through productive investment is not distinguished from mere redistribution. Transactions look the same, whether their contribution to overall welfare is positive, neutral or even negative. In essence, the claim is that money sits at the heart of evaluative processes and value creation in a way that obscures true value. This way, money exercises power over our evaluative capacity—therefore, evaluation must be emancipated, according to *Theology of Money*.

It is argued that we as humans have an intuitive connection to the realm of values: "In reality, there is no need for skepticism regarding the existence of value, for thought itself lives and moves in the element of value. [. . .] Value is not so much external to thought as it is the environment in which thought orients itself." (183) Thus, value cannot be possessed or controlled or represented to the mind—yet value still affects us, being the environment of thought. The same idea is expressed with regard to values: "Values may not be known in themselves, yet they still act over the course of time, producing a tendency toward a destination." (195)

If value is the environment of thought, and values orient us, our evaluations are crucial in understanding true value and values. Our evaluations may perhaps be likened to seismographic registrations of the movements in the value sphere—only, of course, along the line of reasoning in *Theology of Money* such representations can never be taken to be true. In principle, however, the image may provide an interpretation of one central aspect in the relationship between evaluations and value, namely that evaluation is a key epistemological tool for the unveiling and realization of true value. In a sense, *Theology of Money* turns to the problem of value as a question about how to organize society according to that which actually matters to people—which is, in essence, the idea of the marginalist value theory. Of course, the marginalist subjective value theory never posits true value. But this apparently clear-cut difference is somewhat more porous than it seems to be at first glance. According to *Theology of Money*, evaluation does not merely register value, but gives value. In that way, value also arises from subjective evaluations on a collective scale. Under the heading "Evaluation", the following line of reasoning is found:

> Wealth may be considered capital, the ability to produce order. Yet while capital produces order in reality, it is desire that gives value to order—and thus to capital—in evaluation. The question arises, then, of what gives value to desire.

> This is a theological question concerning the value of values, the value of desires, and the value of evaluations. To value such evaluations according to a consensus or the market is to substitute a purely extrinsic evaluation for the intrinsic value of evaluation. (194–195)

By now, the relationship between desire, value, and order that we see here is a recognizable theological trope. It also has some similarities with the marginalist value theory. However, the constellation is configured differently than in the marginalist value theory, and there is also an explicit distancing from the market setting. In the marginalist version, subjective evaluations give rise to order when they are expressed as effective demand. In the quotation above, instead, "desire gives value to order," and the question is asked "what gives value to desire?" In both these formulations, "value" is something that is given to something. Since desire is wholly undetermined, it seems as though desire as such has the capacity to give value purely by desiring. Evaluations have an "intrinsic value."

The line of reasoning continues as follows: "True wealth is the realization of true values. It is necessary that such values should orient desire and production; it is not necessary that such values should be represented or given an exchange value." (195) In light of the statement that true values "should orient desire and production," we can see why the notion of value as an exchange ratio determined by supply and demand is judged "an extrinsic evaluation." True values that orient desire and production, or demand and supply, reveal themselves in evaluative processes, but that does not mean they can be measured. We see instead *Theology of Money*'s idea of the intrinsic value of a rightly geared evaluative capacity: the capacity to desire true value.

However, a difficulty arises here. A desire oriented by values would be a desire that desires values. But considering that desire gives value to order, it would seem that desire has the capacity to give value to something—in which case desire gives value to values that are values by virtue of being desired. We can begin to note a circularity here. Value is intrinsic in evaluation, it is something that orients desire, but also something that desire gives. I will argue that this circularity runs through *Theology of Money* as a whole. That circularity is never explicitly discussed.

We have begun to sketch the understanding of value in *Theology of Money*, and a circularity in this understanding. There is an isomorphism with subjective value theory in the idea of the capacity of subjective evaluations to accurately perceive value and to thereby produce order. But here, value and values are conceived as real. This notion of value is like marginalism's combined with philosophical realism. That means that the structural isomorphism nevertheless allows for a critical distance to the present system of measurements of subjective evaluations, the "extrinsic evaluation" of the market. As is already clear, according to *Theology of Money*, money disturbs the market's measurement of value. In order to proceed we therefore need to get a clearer grasp of *Theology of Money*'s analysis of the power of money; that will be the task of the next section.

6.2 Political Theology and Money

In this section, I will analyze the depiction of money in *Theology of Money*. The text displays a mixture of different understandings of money in ways that are not immediately reconcilable. I will argue that in this text, the moneyness of money is confused with the question of the market value of money. In order to make my critique clear, I begin with a couple of initial definitions: with "moneyness" and "money," I mean the social institution that functions as a unit of account.[198] I use the term "currency," or "monies" in the plural, to denote particular instances of money—for example, the present national currency in Sweden, Swedish crowns. "Money" is therefore an abstract concept that covers concrete historical forms; different "monies" or "currencies." In *Theology of Money*, those two levels are not kept apart. Since the value of a currency is distinct from money as a social institution, the lack of distinctions in *Theology of Money* means that the analysis of money is mixed up with a theological analysis of value. By disentangling the two aspects, we will learn a great deal about both value and money.

6.2.1 Money and Credit

In *Theology of Money*, it is argued that money is credit. The account of money as credit starts by narrating the creation of the Bank of England:

> The establishment of the Bank of England inaugurated the period when credit effectively functioned as money. Since metal coins had always been tokens of value, the creation of money as credit does not so much change as reveal the essence of money. (7)

Then, Alfred Mitchell-Innes and his credit theory of money are briefly mentioned. Next comes the history of the system of fractional reserve banking. In brief, the story begins with the discovery that a deposit in a bank could be used to advance loans with interest to a borrower from the bank. The bank was enriched, provided that the interest charged for lending was higher than that paid for depositing savings; yet this ingenious idea was very risky since a slight loss of trust could induce a run on the bank, resulting in its immediate

[198] Money is commonly defined as a measure of value, means of exchange, and bearer of value. However, *Theology of Money* mainly draws on a credit theory of money, in which measure of value takes logical and historical priority. It is as unit of account that money can become means of payment and take on market value. See "2.4.2 Money." For an exhaustive discussion of the different implications of the credit conception of money, see Randall Wray, "Conclusion."

collapse. What the Bank of England did was to create a stable version of such a system of fractional reserve banking by connecting it to the state. Bank notes were no longer tied to individual banks but to the national currency. The creation of a central bank to which all other banks were connected made fractional reserve banking comparatively stable.

On the one hand, then, the account of money in *Theology of Money* begins with an affirmation of the credit theory of money that originated with Mitchell-Innes, and on the other with the history of fractional reserve banking. But the relationship between this theoretical framework and this particular history is not clarified, and neither is it clear how they relate to previous historic research on money. Rather, these references together create a backdrop for formulating a theology of money: an exploration of the workings of modern money, loosely understood as constituted by a complex network of credit relations.

There are at least two problems with this strategy. The first is that in a credit theory of money, credit is a core feature of any kind of money and not just in the system of fractional reserve banking. One need not believe in the credit theory of money to agree that in a system of fractional reserve banking, loans circulate as means of payment. By combining the two accounts, *Theology of Money* puts an ambiguous idea of "money as credit" in play without clarifying why and what that means for its analysis. The second, and related, problem is that fundamental aspects of the credit theory of money go amiss in *Theology of Money*. I will demonstrate which fundamental aspects in the following analysis. But first, let us make clear what the strategy produces in *Theology of Money*.

What this strategy does is that it enables the understanding of money as a spiritual force in *Theology of Money*. One crucial aspect of this side of the argument is that the modern production of money as interest-bearing credit constitutes a veritable command of exponential growth. This command of growth undermines the current economic system from within, enslaving us on an individual as well as systemic level. For example: I need a home and the way to get a home, for many in the global market economy, is to take a loan from the bank and buy one. The bank lends me money, with the house as security. *Theology of Money* argues that in our economic system this credit contract is no mere IOU.[199] Instead, the credit advanced as loan is transferable. I pay it to the previous owner of the house, who will use it for something else. My debt will circulate as money until it is cancelled, when I repay it. The money thus added to the economy through this operation will be redrawn again when I repay the loan. Because loans are usually given with a positive interest rate, a larger amount will be drawn from the economy when I also pay the interest. For every increase of the amount of money circulating through

[199] An IOU is a contract where I promise to repay at a certain rate of interest on a certain date.

extended credit, there will be a subsequent need to further increase the amount of money circulating again. Credit, or debt, must further increase:

> The entire economic system functions as a spiral of increasing debt, with individuals, businesses, and governments committed to ever increasing levels of overall debt in the system as a whole. [. . .] The result is that the quest for profits is less an aspiration than an obligation. [. . .] The spiral of debt can increase indefinitely, progressively enslaving democratic citizens to contracted debts until the physical limits to economic growth are reached. (66)

The obligation of growth results from the banking system, from the way it creates money as interest-bearing loans. The stark term of enslavement makes sense considered in light of the example above: even if I have entered the debt-relation voluntarily, formally speaking, it may have been the only feasible way for me to get a home. And once the contract is signed I must serve it: thus, when taking out a loan, I wager substantial parts of my future. That the economy expands, according to *Theology of Money*, means that debt expands. Growth, or spiraling debt, is normally expressed in percentage per year, meaning that it is exponential. The argument in *Theology of Money* is that such growth will inevitably need to have a material basis, meaning that eventually the absolute physical limits to growth will be reached, resulting in a massive systemic collapse with all the suffering that that will entail.

This instability is written into the modern money economy from the start, and the following conclusion is drawn: "Modernity has never achieved human mastery of nature or the liberation of the human will. Striving for wealth and freedom has had the effect of subordinating humanity to the impersonal and abstract force of money." (67) There is no opposing such forces from the outside since any other vision needs money to realize itself. We must pass "through the internal logic of the political body of money, appropriating its soul and distinctive power while subordinating it to newly created ends." (69) Several conclusions are drawn from this realization. One is called ontological, stating that whether or not we really want money, we are forced to serve it: "It is not we who desire money; it is money that desires in us." (69) A second is called political and derives from the former: "It is no longer sufficient to oppose political forces of the state in the name of autonomy or self-determination." (69) That is, money has become an active force in autonomous subjects—money desires in us—as well as in politics, since both on an individual and a collective level we have to commit to the command of exponential growth that credit money imposes on us. A third conclusion is that the force of money is inhuman: "It is a spectral power that may insert itself into human life through belief and desire." (70) According to *Theology of Money*, the most imminent problem that humanity faces is the institution of money. Money governs both politics and the individual alike.

But precisely if money is essentially credit, the conclusions drawn in *Theology of Money* regarding money's spectral power are exaggerated. In what follows, I will argue that those conclusions depend on the lack of distinction between the institution of money and the value of currencies in *Theology of Money*. In brief, what *Theology of Money* calls the force of money is what I call the problem of value. To show that, let us retrace our steps to the introductory discussions and the history of fractional reserve banking:

> The value of money was underwritten by the power of the state to raise taxes, and since the Bank's notes were readily and promptly redeemed in hard coin, they were not presented for redemption. Credit came to occupy the secure monetary space formerly occupied by coinage alone. (9)

According to the credit theory of money the "hard coin" is as much an incarnation of credit as is the bank note. The moneyness of money is due to its social structure, not the material substrate of monies. The notion that "the value of money was underwritten by the power of the state to raise taxes" is simultaneously an expression and a denial of the credit theory of money. As long as there have been national currencies they have been connected to the authority of the taxation system—that did not change with the Bank of England. Still more important: the theory of money as credit does not answer the question of the "value of money."

The power of the issuing state will indeed play into the exchange value of a currency. The exchange ratio of American dollars on foreign exchange markets is related to the geopolitical position of the US, and the exchange ratio in relation to commodities on US markets among other things has to do with the state's influence over money supply. But the US government cannot directly control the exchange value of the dollar. It is true that the Bretton Woods agreement was an attempt to guarantee a stable exchange value in different currencies by tying them to gold. But the value of a currency does not constitute the moneyness of money according to the credit theory. Furthermore, according to Mitchell-Innes, the gold standard strategy was based on a faulty monetary theory and resulted only in a high demand for gold.

In brief, the crucial feature of a credit theory of money—that it concerns the question of the moneyness of money—goes amiss in *Theology of Money*. In mainstream economics, the commodity theory of money is dominant, and it is this theory that draws value into the question of money. The claim here is that it is the exchange value of a particular commodity, say gold, that was historically a central feature in its function as money. In *Theology of Money*, these two issues are mixed up.

This way, questions of value are inserted into the heart of the analysis of money, as in the following quotation: "gold holds value only as an object of belief. All money is credit." (112) Here, two distinct statements are fused as though they were intrinsically related, but they are not. If money is credit, neither belief nor gold would enter into it. A credit claim is a tangible asset; it is social power. Belief is not the issue, but rather the social fact that unpaid debts will be collected. Gold, in turn, is a metal that has sometimes been used for coinage, but that does not make gold synonymous with money, and the value of gold does not explain the moneyness of money. However, the commodity theory of money does say some things about the exchange value of gold, which makes it a good substrate for money.

Having brought these confusions to the surface, one can instead discern something of the actual value theory of the book in the statement that "gold holds value as an object of belief." The assumption that the concept of credit transmits in *Theology of Money* is that value depends on belief. "All money is credit" is related to the theological domain of *credo*. "Credit", according to *Theology of Money*, is "a pure flow of belief detached from all particularity [. . .]." (211) On this view, gold and money hold value because people believe that they are valuable and thus desire them. Value arises from the demand for gold and money. That means that the desirability of money in a monetary economy is taken to explain the nature of money in *Theology of Money*—an isomorphism with the commodity theory of money. The subjective notion of value structures *Theology of Money*'s conception of money. This way, "credit" becomes simultaneously a name for the desire for or belief in what is valuable, and for the financialization of private economies combined with the system of fractional reserve banking.

Part of the spectral force of money that is described in *Theology of Money* is constituted by what I call the problem of value. The theological aspect of the analysis in *Theology of Money*—the aspect that engages that spectral force of money—explains why we value money in a monetary economy; it does not explain what money is. We shall keep this in mind as we now proceed to examine the way that money as credit is linked to the political theology presented in *Theology of Money*.

6.2.2 Sovereignty and Credit

In our current monetary system, "[c]redit is inherently a public, not a private, matter. One person's default may lead to a collapse of the entire system. With the public interest to be upheld, the sovereign power of mercy is held by no one. [. . .] Sovereignty is bound in chains." (233) Against the backdrop of the previous section, we can see that this quotation less concerns actual debt relations and more the problem of authority as such. To make my point clearer, allow a brief detour into the world of debt: while it is generally true that individuals are pressed to the brink of ruin to repay their debts, in most political-economic systems, there are chances to be relieved of debt. The chances may be exceedingly slim and involve gruesome personal sacrifices, but they are there. Defaults on debt must be handled and contained, and debt relief may be one way to do so. To systematize debt relief in some form is one way to prevent the accumulation of bad debts. However, more significant for our purposes is the principle of "too big to fail" that we saw acted out in the wake of the last global financial crisis. The sovereign power of the state steps in to salvage banks. The mercy of debt relief is, if anything, systematized.

However, *Theology of Money* does hit the target in relation to a very different theoretical construct: political theology. Neither the relationship between state authority and currencies nor debt relief is a matter of personal political authority. Saving banks that are too big to fail is the very opposite of political sovereignty in that sense; it is a sign of the priority of the economic system at virtually any cost. Real decision making is bound by an economic order where the prime priority is to maintain balance and stability. As it is put in *Theology of Money*, "sovereignty is bound in chains." All across the political spectrum, politicians, whether they like it or not, will have to safeguard the economic system.

From the perspective of political theology, it is argued, sovereignty now rests in the authority of the contract—and since money is in essence a credit relationship, money is the contract between creditor and debtor. Medieval sovereignty, in contrast, emerged from war. If political commitments in this sense "derive from the real possibility of actually killing, fundamental theological commitments are expressed in the real possibility of actually dying." (233) But sovereign authority ultimately rests not so much on the threat of violence as on the willingness to risk lives for this institution. The political, the theological and the economic intersect in the form of sovereignty:

> There is the theological problem: what is worth the pledging of one's flesh and blood? There is the political problem: how is conflict—the real possibility of violence that is made all the more dangerous by the pledging of flesh and blood—to be mediated to become cooperation? [. . .] There is also an economic problem: how is wealth, the benefits accrued through cooperation achieved through the pledging of flesh and blood, to be distributed? What is worthy of credit and investment, in other words: the pledging of time, attention, and devotion or the pledging of flesh and blood? Here the economic problem fuses with the theological problem. Life may be valued only through a pledge of life; all such pledges are ultimately a pledge to the death. (234)

In this longer quotation, two things stand out as vital to reflect on within the confines of this study. First, sovereignty is said to arise from the willingness to commit oneself, called the pledging of flesh and blood in *Theology of Money*. Through that lens, the economic, political, and theological reflections are seen as integrated, fundamentally concerning sovereignty. Money, political authority, and divinity are understood in the same interpretative framework of the pledge. The pledge is tightly knit together with credit: it takes part in making up the value of values. In other words, value is always about sacrifices.

Second, this is one of many instances when the core feature of theology is said to be to discern value. Of the three disciplines mentioned in the quotation, only theology is repeatedly bound to the question of "worth." In another context this central feature of theology is formulated thus: "the central task of theology [is]: what is the source of the value of values?" (201). That is, theology is to determine the nature of value as such. Given the longer quotation above, value is constituted by the pledge, the willingness to give something up for something else.

Assumed here, but not made explicit, is that flesh and blood is pledged in scarcity. I only have this flesh and blood; that is what gives the commitment its weight. If my flesh and blood were infinite the question posed—"what is worth the pledging of one's flesh and blood?"—would be meaningless. That something is at stake has to do with the scarcity of flesh and blood and the fragility of life itself. In *Theology of Money*, this question is understood to be "the theological problem." In fact, the results of the present study so far support this statement; the issue of what is worth something to us runs like a thread through all of the theological texts I have read, a thread that has its roots far back in the historical developments of Christian theology. Considering that modern economics also sprouts from those roots, the same is arguably true for the discipline of economics as well. In brief, the longer quotation above outlining the economic and theological problems describes what I call the theological-economic problem of value.

A crucial point for me is that the commitment of flesh and blood is assumed to be made as a choice. For example in relation to medieval political theology, the following is stated: "The sovereign's word is law not merely because it is enforced by the threat of violence, [. . .] but because the soldiers and servants of the monarch are willing to risk their lives to preserve and enhance the authority of the monarchy." (234) The combination of choice and corporeal scarcity is expressed in terms of opportunity cost in economics. The same conceptual logic is present here:

> one gives one's life to enjoy that sovereign moment of freedom, that moment when circulation stops, when one has money in one's pocket . . . One gives one's life to others so that one may, in turn, hold that sacred, sovereign power in one's hand. (236)

Thus, in *Theology of Money*, the powers that be—economic, theological, or political—are depicted as constituted by uncountable subjects prepared to sacrifice for them. If one reads the sentences just quoted through the lens of opportunity cost, then the opportunity cost of money is that which is sacrificed for it. "One gives one's life to enjoy that sovereign moment of freedom." Of course, in most cases life in its entirety is not lived for money. One may give some of one's life in work to receive a salary. Or one may promise part of one's future to take out a loan. The point in *Theology of Money* is that the value that arises from this structure is a substantial force. It is the energy of the political, the economic, and the divine itself: "In the final analysis, it is only debt itself that exercises sovereign power. Yet those who undertake debts, who underwrite the value of money in their own flesh and blood, are those who exercise the divine power of credit." (236)

This way, the commitment of people is also seamlessly translatable to credit. That also means that credit can be separated out from the creditor-debtor relationship—debt exercises sovereign power, but the power to bear debt is the divine power of credit. In *Theology of Money* it is argued at length that in modern money, credit and debt are the two sides of the same relationship. But to give credit to someone or something in the economic sense is only in part an act that places that someone in one's debt—that is, under one's control. Just as important is that this act is a positive evaluation and, if effective, it is an investment that, in short, enables things to happen. Credit is a creative force. Hence, as *Theology of Money* approaches its end, a way to separate credit from debt is suggested. The point is that there should be a way to evaluate and invest in projects without indebting them, and thereby without demanding repayment with interest. This proposed system is called evaluative credits and is intended to be an institution that can begin the process of emancipating evaluation (see 241–255).

In this section, I have sought to clarify exactly what is meant by the power of money that is analyzed and criticized in *Theology of Money*. I have shown that there is a lack of distinction between the moneyness of money and the value of a currency. This lack of distinction means that the desirability of monies in exchange, value, is confused with the institution of money. *In Theology of Money*, "credit" includes the credit-debt relationship, the subjective desire for monies, and trust in a social institution. The power of money as a spiritual force as it is depicted in *Theology of Money*, consists in part in what I call the problem of value. The problem of value is also identified by *Theology of Money* as the core task of theology. That way, money becomes an object of theology by the same token as the divine and faith are.

Theology of Money's understanding of value is expressed in terms isomorphic to the opportunity cost logic: choices made in scarcity determine and give value. But the value that arises from sacrifices made in scarcity is a real force—even a divine force. But what exactly is the relation between evaluation and value, if value is on the one hand the ambient of thought and should orient our desire, and on the other hand arises from our decision that something is worth sacrificing for? In the next section, I shall turn to that question, as it makes itself felt in the task of theology: to discern the source of the value of values.

6.3 God, Credit, and Value

Money is credit. Credit is a divine force. That seems to make money and God the same thing. Yet they are placed in conflict with each other, a conflict where money is claimed to be victorious in the end: "Money has replaced God." (258) But what is the difference between money and God if divinity is credit? In the introduction, a differentiation between God and money is declared to be the purpose of *Theology of Money*:

> The problem that lies before us is whether there is something intrinsic to the nature of money that directly opposes God, justice, or nature. "God" may be invoked here as a symbol for the order of nature—the ultimate criteria of power, truth, and goodness; the source of the value of values. Theists and atheists may disagree over the unity, logic, and metaphysics of such a symbol, and over the value of values itself. However, they rarely disagree that something plays the role of the source of the value of values, whether or not the symbol "God" is used. Once it is discovered that money does indeed veil the source of the value of values, a second problem results: how may the value of values become manifest in human life? These two problems form the agenda for this study. (7)

The agenda for *Theology of Money* is, first, to establish whether money opposes God, here understood as a symbol for "the source of the value of values." Second, once it is established that money "veils" the source of the value of values, the aim is to explore how the value of values may become manifest in human life. It is clear that God and money are not the same thing in *Theology of Money*, and that to distinguish between them is essential. But a problematic circularity arises too. "God" is a symbol for the "something" that plays the role of "ultimate criteria of power, truth, and goodness; the source of the value of values." How can one assess something by means of itself? This circularity is akin to the circularity noted above: true values are supposed to orient thought—yet, at the same time value is constituted by the sacrifices we make for what we deem worthwhile. Differently put, if value is essentially a matter of belief, as we saw for example in the statement that "gold holds value only as an object of belief" (112), what is the difference between gold and gods?

Jesus once claimed that one cannot serve both God and Mammon, a tale which is inspirational in *Theology of Money*. According to this line of reasoning, Jesus's opposition to wealth is by no means uncommon in the world of religions, but his method is unique. Jesus depicts God and wealth as two masters and says that the same person cannot be subject to both. This is interpreted as follows: "Wealth attracts time, attention, and devotion; it constructs a perspective from which the world is to be seen. There are differing principles of power here." (201–202) This leads to the corollary question of the nature of power. The power of wealth, it is argued, lies in its ability to shape perspectives. It is pointed out that theology is often mistakenly led into two different paths: Constantinianism, where the sovereign power is God's, or kenotic Christology, where God renounces such power to become a servant. In both conceptions, *Theology of Money* argues, the power of wealth to shape perspectives goes unnoticed.

According to *Theology of Money*, Jesus instead holds the question of power and that of wealth as inseparable in his statement on serving God or Mammon. His teaching on wealth implies that the owner of wealth is mastered by his possessions: your heart is where your treasure is. Collect a treasure, and that is where your heart will end up residing. Matthew 6:23 is quoted, where Jesus says that the eye is the lamp of the body, and that if one's eye is darkened, the whole body will be full of darkness. *Theology of Money* interprets those two sayings together, coming to the following conclusion as to what the power of God versus Mammon consists in: "Service is enacted through time, attention, and devotion. The object of one's attention is used as the material for forming the perspective through which the world is to be seen." (203) Power consists in allowing certain things to be seen: God will make us look at the world in one way, money will make us look at it in a different way. They are different principles of power because they make the world appear in different ways: "True power consists here in a perspective of evaluation." (203)

Because of that, it is argued, Jesus's way of framing God and Mammon as opponents does not fit the modern dichotomy between evaluation as a subjective phenomenon and the objective sphere of money and power. That credit money and God are drawn into the same circular logic of belief and value is therefore taken to be revelatory: "Indeed, in a strange way, money is not only in opposition to God; it also discloses the significance and role of a source of the value of values." (222) The way that the evaluative circle works in money is taken to be significative of true value; for the source of the value of values.

But how can I discern between God and Mammon, if the object of my attention is the material for forming my evaluative perspective, which gives value to the object of my attention? In *Theology of Money*, value and evaluation becomes a recursive circle. One's evaluative perspective is shaped by that which one values highly. That is not necessarily a problem. On the contrary, *Theology of Money* seems to hit the nail on the head in this regard, as a description of the phenomenon of value. But a problem arises when this circle of value is given divine status.

I have argued above that *Theology of Money* confuses the question of value with the question of the moneyness of money. That confusion gives the institution of money a spectral force in its analysis, and explains the notion of a conflict between two opposing spiritual forces, God and Mammon. Next, the analysis of the evaluative circle in money is claimed to "disclose the significance and role of a source of the value of values." God and Mammon are depicted as divinities competing over the same territory, shaping our evaluative perspective. This way, divinity seems to be the circle of value as such. And once one is caught in the grip of either God or Mammon, that should make it impossible to discern between them. From what standpoint can we discern between money and God, if one of them shapes our evaluative perspective? In the end, the confusion between the value of currencies and the moneyness of money is heightened to a self-contradiction, as *Theology of Money* contains the argument that evaluation can be liberated from money's grasp.

In the conclusion of *Theology of Money*, there is a brief description of a divine principle that differs from the idea of competition between God and Mammon: "Instead of attempting to possess all time, attention, and devotion, divine power consists in the coordination and orientation of other powers so that the same time may be used to attend to a range of demands." (260) God and Mammon are not competitors. Instead, co-existence and coordination of different forces are understood to be the hallmark of divinity. This way, the final pages of *Theology of Money* contain a clue as to why money is said to be a false deity, and to how one can discern between God and Mammon.

In the last pages of the book, the problem of debt is assessed anew from the perspective of such a divine power. Debts, it is first said, should not be cancelled, for debt is constructive capital and credit money now functions as a basis for cooperation. In this sense, credit money harbors the divine power said to enable coordination. Still, this divine power in money is attached to the problems of debt, and so we must seek redemption from debt without destroying credit. Instead, it is suggested that we seek forgiveness: "To forgive is to cease to oppose, resist, or exclude a harmful presence. All too often, forgiveness has been understood in terms of the sovereign power of judgment: it is treated as a matter of suspending revenge, punishment, or blame." (260) Emancipation from the power of money cannot go through conflict, with a concomitant conceptualization of forgiveness in terms of sovereign will power. Forgiveness should not be understood in terms of holding actual deeds against an ideal, evaluating and judging them by means of an absolute measure. Such an understanding of divine power is "the spiritual equivalent of Caesar. [. . .] Divine ownership is proclaimed over time, attention, and devotion. Yet it is precisely this power that is exercised by the spiritual force of money." (261) In short, forgiveness in the sense *Theology of Money* seeks to articulate has little to do with a morally conceived guilt. Instead, divine forgiveness is "to cease to resist"; it is not a matter of suspending wrath, but of coexisting with and reorienting other powers: "True redemption occurs only through new creation. If the basis for cooperation with harmful spectral forces is not yet present, then it remains to be created." (261)

The harmful forces of debt money are now named as sin and evil. Such evil cannot be resisted or opposed. Instead, one must cooperate with it—and such a feat requires new creation: "It is not something that already lies within our power. Forgiveness is a matter of divine creation." (261) By calling upon the theological theme of new creation as a possibility beyond human reach, theology is released from its preoccupation with the problem of the value of values. Instead of theology as the discipline that deals with the problem of what is worth sacrificing for what, *Theology of Money* hints at the possibility of theology as engaged with the possibility of forgiveness and new realities. If new creation is deemed a real possibility, then the principle of sacrifice is not necessarily divine reality. This way, we get a glimpse of what a theological critique of value might look like.

In this section, I have argued that since both God and Mammon are understood to exercise their power in the same circular way—when they are valued or sought after, they begin to determine one's perspective of evaluation—there is no real way to distinguish between them. In that respect, *Theology of Money* hypostasizes the problem of value. However, the book also contains a different notion of divinity that coordinates, forgives, and creates anew, instead of competing and commanding.

6.4 Surfacing from the Micrological Reading

To begin with, we can conclude that *Theology of Money* shares the theological-economic problem of value with the other contemporary texts analyzed, and in a similar way. Subjective evaluations are thought to be able to produce good order, if only they are properly realigned. Differently put, the main problem in the present economic order is that evaluations are disordered. Before we relate the configuration of this nexus in *Theology of Money* to the previous analyses, a brief summary is needed.

In "6.1 True Value," I made the first outline of the understanding of value in *Theology of Money*. I showed that true values are thought to guide evaluation, and that value is given in evaluation, in a manner which constitutes a circular process between values and evaluation. In "6.2 Political Theology and Money," I showed that the use of the credit theory of money in *Theology of Money* is not directly comprehensible. The understanding of money as credit in the book cannot be fitted into a framework of a credit theory of money, since the question of the nature of money is mixed up with the question of the value of particular monies. However, if one takes credit to be a matter of belief, *Theology of Money*'s line of reasoning makes more sense. Belief or desire is also connected to value in *Theology of Money*. Credit in that sense is what makes up value, and hence what is at stake in *Theology of Money*'s use of the credit theory of money is the problem of value.

In "6.3 God, Credit, and Value," I showed that the circular structure of *Theology of Money*'s depiction of value stands in an irreconcilable tension to the main aim of the book—to discern whether money veils the source of the value of values and to find ways to liberate evaluation from the power of money. Furthermore, the contention that credit is a divine force, and that money reveals important principles regarding the value of values amounts to a theological hypostasizing of the problem of value. However, there is also the discernible presence of a notion of a divinity that can emancipate through new creation, and that is, therefore, outside the logic of credit and sacrifice.

The theological link between value and order remains in *Theology of Money*—the idea is that emancipated evaluations can produce good order, realizing true values. But the link to competitive markets is unclear. The contemporary problem is argued to be that money veils true values or the source of the value of values. It is not clear if a redeemed economy can still take the form of a market, ordered by the emancipated evaluative perspectives. It is argued that money enables markets, which could mean that the critique of money is intended to be a critique of markets. On the other hand, there is no argument for an abolishment of modern money, but the way toward emancipated evaluations is suggested to go via an additional system of credit running alongside the monetary market economy. In brief, *Theology of Money* contains a critique of the market as a form of order, but it is not clear how far that critique goes. However, we can conclude the following: the evaluative capacity, discerning true values, produces order and give value.

It is time to step out of micrological modus and relate the results of the analysis to the overall study. The four contemporary theological books share the following fundamental conception of human life: as spatiotemporal beings with limited resources, human beings must prioritize the use of what Goodchild specifies as our "time, attention, and devotion." These premises of opportunity cost are also shared with the market economy. So is the idea that subjective evaluations are a key in ordering this world.

I have argued that *Theology of Money*'s analysis of money is structured upon a notion of value that shares some principles with the subjective value theory. The core problem around which Goodchild's book revolves is that "money does indeed veil the source of the value of values." Curiously, Samuelson and Nordhaus use the exact same expression: "But in economics we always need to 'pierce the veil' of money to examine the *real* impacts of alternative decisions."[200] Money is a veil. The difference between the two seems to be that to Samuelson and Nordhaus, the reality that money veils is comprehensible given the right economics training, whereas according to Goodchild, money distorts our vision to the point that reality cannot be grasped.

One explanation of that difference is Goodchild's realization of the social embeddedness of knowledge and decision making. He shows us is that there is no initial point of departure for the evaluative process. In each new situation, our perspective is already formed by our previous evaluations. That is why Goodchild claims that power is about shaping the perspective of evaluation. If I have invested time, attention and devotion, and usually money too, in a project such as writing a book, I am likely to persevere with that project and

[200] Samuelson and Nordhaus, *Economics*, 13. Italics in the original.

keep investing in it. Once a value is set for us, we tend to perceive it as objective, sometimes to the point of irrationality. Added to that is that each evaluation is shaped by the social and physical reality around us. In a monetary economy, one needs money to take care of oneself and one's dependents; one will always need to make money among the top priorities. Money will be held in high esteem, regardless of what one's opinions of money and the market economy may be. In that sense, Goodchild is also right in that the individual autonomy to make up one's own mind in evaluations is relatively illusory. These two conclusions drawn from *Theology of Money* cannot be overstated: a) value and evaluation constitute one another in a recursive circle or spiral, stretched out in time; and b) this circle is a social and not an individual affair.

These insights regarding what I call the recursiveness and sociality of value are somewhat obscured by Goodchild's mistake in hypostasizing value to a divine force. The subjectivity of value has nothing to do with its truth or untruth. To mention an example that is present in my writing of this text: I have devoted a lot of time and energy to this study. The more time, attention and devotion spent on it, the more likely I am to continue to make its completion a top priority; the opportunity costs increase in quantity and intensity and proliferate in quality with every invested hour and ounce of energy. Thus, the project may be regarded as a true value for me, in that it is truly meaningful. Indeed, the increasing sacrifices will make the completion of the project increase in value for me. However, its completion will be placed in relation to other significant factors—I need money to pay for food and rent, and if the book is not finished when the money is finished, I may have to reevaluate the matter and instead devote time and attention to the procurement of money elsewhere. The material needs of myself and my family may also be regarded as "true values" in that sense. True, in the sense of real from my perspective, and values in the sense of importance. Insofar as these different sets of values can align themselves with one another, they can also coexist without competing with one another.

But in many situations, such different values are in conflict. Countless migrant workers have to leave their families and homes in order to provide for them. People travel the globe in search of work that can pay for the food and school fees for their children, sacrificing the presence of loved ones for the money needed for their well-being. In such cases, money in the most brutal sense superimposes itself as the pragmatic supreme value, in practice more acutely important than committing time, attention, and devotion to loved ones. Money hampers the realization of true values by way of its absolute instrumentality.

The way that Goodchild combines a notion of true values and a subjective value theory in *Theology of Money* is quite to the point—as is the claim that the power of money distorts this relationship. In relation to these claims Goodchild's repeated rejection of attempts to represent objectively true values is crucial. That values are true to us human beings does not mean that they can be adequately represented as objective.

However, the account I just gave is still problematic. In *Theology of Money*, "value" can mean both that object or relation which is valued, and the value it is given. This is in my view a conceptual problem. The kind of assessment and evaluation that *Theology of Money* emphasizes concerns conceiving of things in a hierarchical order. Here, value has two very different meanings: I will place the "value" that is most important on top; that hierarchical position, measurable and possible to numerate, is also a "value." It is similar to the confusion around value that we noted in Long's *Divine Economy*. Within the confinements of the theological-economic problem of value, "value" can mean several different things, but they are related. For this reason, I will analyze value as a concept in the final chapter.

In *Theology of Money*, the understanding of money as credit leads to a notion of money as a spectral force. I instead argue that the credit theory of money allows us to see how closely connected money is to state authorities. The common claim that the market economy is a decentralized order is partly based on its value theory. Disentangling value theory from the institution of money provides an occasion to see how political authority may be in play in the very constitution of the market. That can also be done from other perspectives, for example Carlo Benetti's mathematical critique of the assumptions regarding money in the general equilibrium theory. The self-balancing market is, Benetti claims, "dependent on a monetary *deus ex machina*: the inescapable and seemingly arbitrary intervention by the government to create and regulate the supply of money"—money is an "activist political intrusion into the world of laissez-faire."[201] Money is one of the clearest indications that the market order is established and maintained by political authority.

Having reached the end of the fourth close reading of contemporary theological critiques of the market economy, it is possible to conclude that Christian theology and the market economy continue to share the problem of value. They also share the fundamental assumption that subjective evaluations can produce economic order. In the seventh and concluding chapter of this study, I will discuss the conceptual logic of "value," and the connection between value and order in both Christian theology and the market economy.

[201] Benetti, "Money and Prices," 54.

7 The Order of Value

My aim now is to outline and discuss two of the present study's results. First, I have pointed to isomorphic structuring principles in Christian theology and the market economy. In this chapter, I will define this shared thought structure, abstracted from the different theological and economic contexts in which it has been embedded. Second, in both Christian theology and the market economy, this isomorphism is intrinsically linked to questions of social order—even of cosmology. In this structure, value is ordered, and value orders, by the same token. What is the link between knowing what things are worth and ordering human behavior in Christian theology and the market economy? I will discuss that question in this chapter. I will also analyze the connection to Christian theology more broadly. What are the doctrinal premises and implications of the logic and order of value?

However, before those questions can be answered, we need a conceptual analysis of value. The polyvalence of the term "value" is enigmatic, but holds a key to unlocking value as a concept, which will help us understand the order of value.

7.1 The Concept of Value

In this section, I will momentarily take a step back from Christian theology and the market economy and turn to the concept of value itself. There is an internal contradiction in value between two semantic fields. The prevalent field denotes metrology, but there is also a persistent field of moral meaning, for example in the "inherent value" of each human being, or "objective moral values." I will argue that these two fields of meaning, the metric and the normative, are in principle irreconcilable; yet the two are connected in a mediating thought structure that is theological.

The words "worth" and "value" are in wide use in the present age. One influential example is from the preamble to the United Nations Universal Declaration of Human Rights: "the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person [. . .]."[202] No doubt, this formulation is intended to establish the immeasurable importance of the life and well-being of each human individual. That idea is connected to the notion of universal human rights—that is, "worth" is intrinsic and no human being is worth more or less than any other. Yet, when we ask what a thing is worth—for example "is writing a thesis worth the effort?"—we imply some things are worth less than others.

Worth and value are roughly the same: in dictionaries, the synonym used to explain either word is almost always the other. What marks "value," as opposed to "worth," is its precision. The concept of "a value" on the one hand has a precise metric function, and on the other denotes a normative principle. Thus, it seems no coincidence that value theories—both economic value theory and the meta-ethic type of theory that is often called axiology—are called "value theories" and not "theories of worth." "Value" will remain my privileged object of attention.

Let us begin this analysis by returning to the first instance in which I noted the ambivalence of "value," namely, in the analysis of Long's critique of modernity's fact-value distinction in his *Divine Economy*. Long again:

> For marginalist rationality all goods are subject to the overarching law of value. All goods are potential objects of human choice, and thus through a person's choices, she or he gives value to that which is. These choices can then be indexed and regularities observed. These regularities are subject to change, but through statistical methods we can chart and negotiate the changes. We may not approve of these choices, but they reflect the "facts" of economic life, the empirical realities. Morality cannot alter this facticity. Instead, it gives values that the moralists hope will bring people to make different choices.[203]

I argued that we see a preeminent expression of the lack of clarity around value in this quotation from *Divine Economy*. Value stands for both economic value and moral values—that is, value means both "facts" and "values." This could be interpreted as though we have come across a homonym. But I will argue that the separate meanings of the term "value" cannot be mere homonyms, because they do not belong so much to a linguistic coincidence as to a conceptual problematic. While contradictory, the two meanings are intrinsically related in the thought structure I call the order of value.

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[202] United Nations General Assembly, preamble to the "Universal Declaration of Human Rights," 1948, available at https://www.un.org/en/about-us/universal-declaration-of-human-rights.

[203] Long, *Divine Economy*, 74. Because I have left the micrological modus behind, I will in this chapter refer to the books analyzed in chapters three through six with author names and footnotes.

Let us turn to the entry "value" in a couple of contemporary English dictionaries.[204] My selection is coincidental, but the equivalent could be found in any English dictionary. In the *Cambridge English Dictionary* online, the noun "value" has four main entries. First, "the amount of money that can be received for something"; second, "the importance or worth of something for someone"; third, "a number or symbol that represents an amount"; and fourth, "values" in the plural as "the beliefs people have, especially about what is right and wrong and what is most important in life, that control their behavior." In the American section, the first three are the same, but a different fourth entry is added: "the degree of light or darkness in a color, or the relation between light and shade in a work of art." Value is also a verb that has two entries, principally the same in both language varieties. In the British English section, they are formulated as follows: "to give a judgment about how much money something might be sold for"; and "to consider something important."[205] Of all these entries, verb and noun alike, one is significantly different: values in the plural, as a set of beliefs. The others make up a semantic field of assessments, measurements and relativity.

In *Merriam-Webster* online, eight entries are listed for value as a noun. First, we find market price; second, a fair return in exchange; third, "relative worth, utility, or importance"; fourth, "something (such as a principle or a quality) intrinsically valuable or desirable"; fifth, a numerical quantity; sixth, "the relative duration of a musical note"; seventh, "the relative lightness or darkness of a color," also in different parts within a picture; eight, metric denomination, for example the value of a dollar bill.[206] Seven of these make sense in relation to one another as they imply measurement and relativity, concerned with proportions.

The idea that something is intrinsically valuable or desirable in itself instead seems to denote meaning and morality. However, the example sentence of this entry proves interesting in that regard. The example sentence of value as "intrinsically valuable" is that someone "sought material values instead of human values." What are material values that are opposed to human values? At first glance, one gets the gist without difficulty—this person, for example, chases money instead of love. But if we question what the words mean precisely, they are elusive. The notion of the two sets of values that can be compared with one another seems to indicate that the "intrinsically valuable human values" is possible to exchange for "material values." One can seek *either* material values *or* human values. One has to choose. Is it an opportunity cost

[204] My argument is conceptual and not linguistic. I am not analyzing the English word "value." I analyze a conceptual problematic that is comprehensible through a discussion of the use of the word "value," but not dependent on it.
[205] *Cambridge English Dictionary*, *s.v.* "Value," accessed August 19, 2021, https://dictionary.cambridge.org/dictionary/english/value.
[206] *Merriam-Webster*, *s.v.* "Value," accessed August 19, 2021, https://www.merriam-webster.com/dictionary/value.

decision? If one really can choose, what is the difference between "intrinsic values" and mere "material values"—who decides what is what?[207]

On the one hand we have the noun "value" in the metric sense that is clearly tied to the verb "to value," namely to assess, estimate, valuate—to compare and measure proportions. I call this semantic field the metric meaning of value. On the other hand, we have the noun "value" in the sense of a set of beliefs, often in the plural, "values," or a principle or a quality that is valuable in itself. I call this semantic field the normative meaning of value. The taxonomy is not intended to be exhaustive of all possible uses: my aim is to highlight the contemporary prevalence of these two semantic fields, as well as the contradiction between them.

Let us approach the contradiction from the metrical point of view. Metrically, a value is a number or a symbol that represents an amount. In the dictionaries we saw that monetary value is a repeated point of reference. Several units of measurement have been internationally standardized with acute precision, for example, the meter; but no such standardization has taken place in relation to economics.[208] But in principle the same goes for economic measurement as for the meter. The length of all things is measured in relation to the standardized meter—or that is the general idea, disturbed by the persistent coexistence of other systems for measuring length, giving rise to formulas for exchange ratios between the systems. The numerical values in measuring length are in principle the same as exchange ratios on markets. The exchange ratio of a commodity is a metric value because a certain property is measured by means of something that shares the property in question. The only difference is that there is no fixed unit of account in the market. Money has this function, but since the abandonment of the gold standard, no currency is fixed—and the gold standard relied on the stability of the exchange value of gold, not its fixation.[209]

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[207] Anthropologist David Graeber notes the flexibility of the term "value": "while there is a fairly widespread feeling among anthropologists that there is something out there that can be called 'value' (or maybe 'values,' or more likely both), and that all human beings do, in some sense, organize their lives, feelings, and desires around the pursuit or furtherance of them, it often seems as if the term could mean most anything." David Graeber, "It Is Value That Brings Universes into Being," *HAU: Journal of Ethnographic Theory* 3, no. 2 (2013): 219, https://doi.org/10.14318/hau3.2.012. See also his *Toward an Anthropological Theory of Value: The False Coin of Our Own Dreams* (New York: Palgrave, 2001). Graeber's conception of value is akin to mine in some senses. Graeber also understands value as a cosmological concept, and he argues that the many different uses are connected through the cosmological import of the concept. He argues for a truly anthropological, that is, universal, value theory, flexible enough to encompass all perceived important things which orient human beings. However, in my view, the subjective value theory is geared to do precisely that. For that reason, I argue instead that what we need is a critique of value.

[208] The International Bureau of Weights and Measures (BIPM) determines the international standards of the metric system.

[209] However, as mentioned in "2.4.2 Money," according to the credit theory of money, the gold standard only had the effect of stabilizing gold prices. Ironically, then, the causal order was reversed to the very purpose of the gold standard.

We are thrown back to the contested nature of money but let us suspend it for the time being and focus on value as exchange ratio. The lack of a fixed measuring stick does not change what happens in measurement, it only makes it more complicated to say anything about the measured amount with precision. An exchange ratio on the market is a value because the two commodities are compared to one another. The question that has plagued economic thinking from antiquity and onward, is how to express what is compared; how can qualitatively different things be compared and exchanged as though they were equal? According to a subjective value theory, the property that is compared is not inherent in the commodity in question, but is the aggregate of their perceived utility in relation to scarcity. The value—exchange ratio—is information about these relationships of supply and demand.

The value of a cup of coffee at the nearby café is expressed in Swedish crowns (SEK). Let us compare this value to the value of my height: 1.65 meters. The latter value can be described as an exchange ratio between the standardized meter and my body height. I share with the meter the quality of being extended in space, so my length can be measured with the meter as unit of account. In this precise sense, the metric field of value is relative. It is not relative in the sense of a post-structuralist critique of knowledge or a moral relativism. It is relative in that a specific value gains its meaning, its comprehensibility as a linguistic symbol, as a relation of proportions. However constructed or objective my body and knowledge about it are perceived to be, the numerical value of its length—1.65 meters—expresses the amount of an intrinsic property in a fixed numerical scale. The length is intrinsic; the value is a measurement and is, then, not intrinsic.

A value in the metric sense can never be hypostasized into an entity or substance in itself. What happens in metrology is that things are compared in relation to one another, and a fixed scale is used as a point of reference. The quality of length may be said to be inherent in or intrinsic to all phenomena that fall under the category of *res extensa*—the material world. A value in the measurement of length is the proportion between the standard unit of measure and a body.

Crucially, this is more problematic in market exchange. The economic value of a cup of coffee is the exchange ratio between the coffee and, say, twenty SEK. Only, not quite. We have seen in chapters two and six that money stands in a more complex relation to exchange than that. Once we pay attention to the intersection of different forces in money, we can see that buying a cup of coffee is not a matter of barter. One can count on buying a cup of coffee in Stockholm for twenty SEK, but one cannot count on buying SEK by means of a cup of coffee. There are established ways to procure money, but with money, one procures everything. Money is more of a high-powered infrastructure for exchange than a simple measuring stick.

But that is partly true of the metric system too. Fixing a unit of account is an extraordinary measure of power; and it enables the development of certain thoughts and streamlines them. The meter and money are alike here too. What makes money troublesome is that the quality money has to share with the world of commodities is difficult to grasp. Money has to be found at the intersection of supply and demand; it has to be valued. We do not ask for the value of the meter, but we do ask for the value of a currency.

7.1.1 Money and the Metrological Circle

To help dissolve this problem, I will turn to Georg Simmel's treatment of the relationship between value and money in his *Philosophy of Money*. Simmel's argument is interesting to me because he disagrees with my above account on a couple of critical points—yet, we basically say the same thing. Let us begin with the disagreement, and then turn to how we hold the same view about money as a unit of account. Only then will we able to determine the real point of disagreement. First, whereas I claimed that the meter differs from money in that the meter is fixed, Simmel argues that the meter and money are not different in their determination because all is relative. Second, whereas I claim that money can function as the unit of account in exchange because it shares the quality of that which is being measured, Simmel does not accept that argument. To him, money does not measure value because it is valuable. The two points are related.

In the first disagreement, Simmel claims that measuring length with the help of a fixed unit of account only gives a chimera of stability. In reality, Simmel points out, the meter is not absolute—nothing can be absolutely fixed. First, "we have abstracted from particular relative lengths the general concept of length," and then we project this concept of "length" onto things, embodied in definite standards.[210] But to believe these standards are beyond measurements themselves implies a grave error: "The error is the same as if one believes that the falling apple is attracted by the earth, while the earth is not attracted by the falling apple."[211] Simmel aims to make clear that all measurement is relative, including economic measurement.

Against the argument that money must bear value to measure value, Simmel launches the following argument:

> It is indeed correct that the quantities of different objects can be compared only if they are of the same quality; wherever measurement is done by direct comparison of two quantities it presupposes identical qualities. But wherever a change, a difference or the relation between two quantities is to be measured, it is sufficient for their determination that the proportions of the measuring

[210] Georg Simmel, *The Philosophy of Money* trans. Tom Bottomore, David Frisby, and Kaethe Mengelberg (London and New York: Routledge, 2011 [1900]), 90–91, ProQuest Ebook Central.
[211] Simmel, *The Philosophy of Money*, 91.

> objects are reflected by the proportions of those measured; and there need be no qualitative identity of the objects.[212]

What is needed in money as a means of measurement is a proportional relation between quantities. That is also the relationship between money and the world of commodities, Simmel claims. They need not share a quality, but only this proportional relation. Simmel continues by noting that if the quantity of money goes up, prices will rise, and if the quantity of commodities increase, prices will decrease. This is in effect a philosophically argued version of the quantity theory of money, a theory that became significant in mainstream economic theory and policymaking with Milton Friedman and his monetarist school in the 1970s.[213]

Simmel's philosophical argument is impeccable. But it is not effective against my above claims. This is so for a simple reason: his version of a quantity theory of money coincides with the marginalist value theory. If the supply of a currency goes up relative to demand, the value of the currency decreases. That means money does have value: money has value in the sense of having an exchange ratio with commodities; its value is a measure of the relationship between supply and demand. I will return to this point, but let us first stay with Simmel's line of reasoning. Simmel's point is first, that all knowledge and values are relative, and second, that money cannot measure value by having value because value is not a quality of objects. Instead, to Simmel, value is a perspective from which the world is seen. This becomes clear when he begins the book by arguing that the world can be interpreted in two registers: the determination of objects in the terms of natural laws, or the meaning-making and valuation of subjects. These two are not opposed, but neither are they reducible to one another:

> Thus, value is in a sense the counterpart to being, and is comparable to being as a comprehensive form and category of the world view. As Kant pointed out, being is not a quality of objects; for if I state that an object, which so far existed only in my thoughts, exists, it does not acquire a new quality, because otherwise it would not be the same object that I thought of, but another one. In the same way, an object does not gain a new quality if I call it valuable; it is valued because of the qualities it has.[214]

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[212] Simmel, *The Philosophy of Money*, 141.

[213] However, the monetarists did not invent the quantity theory of money. According to de Roover, for example: "The Spanish authors [the Salamanca School] take the quantity theory for granted, since their treatises, almost without exception, mention that prices go up or down according to the abundance or scarcity of money." de Roover, "Scholastic Economics," 169.

[214] Simmel, *The Philosophy of Money*, 62–63. Simmel is alluding to Immanuel Kant's refutation of the so-called ontological proof of God. Simmel's text is full of similar allusions to rich theological problem-complexes, this is only one of many. A critical analysis of *Philosophy of Money* in terms of the theological-economic problem of value would prove enlightening, but it falls outside the scope of this study.

Value for Simmel is an irreducible part of human existence, but it cannot have a "substance." In relation to the absence of value in money, however, Simmel's point is different. Simmel makes a case similar to the commodity theory of money, and claims that primitive money has use value in his sense of the term, that is, value as meaningfulness. From the outset, only meaningful things could become money. But this is not the case, he argues, with modern money—the bills and coins that circulated in his days were not originally meaningful in that sense, but became so in a secondary sense, as a sign of potential meanings that can be realized through money. However, precisely as the preeminent means, modern money came to possess value.

Let us return to my above claims, namely that money is different from other units of account, but that it does share in the quality that it measures: value. I agree with Simmel in that all units of account have to be measured. But depending on what quality the unit of account has to have, this measurement will look different. For example, the meter is measured with such a degree of precision that it is meaningful to say that the meter is fixed: the meter "is defined by taking the fixed numerical value of the speed of light in vacuum *c* to be 299 792 458 when expressed in the unit m s^{-1}, where the second is defined in terms of the caesium frequency $\Delta\nu_{Cs}$."[215] Given this definition of the meter, Simmel is correct that the meter can only be relatively understood. The meter is measured, and precisely therefore can it function as a measure of other lengths. When I say that the metric system is fixed, I mean exactly what Simmel says when he says it is relative: the different units of account are fixed in relation to one another and to a few precisely defined premises, which means that they are relationally defined. I entirely agree with Simmel, with the only difference that I interpret the metric system to be precise and sophisticated enough to measure, for example, length with precision but as a relative phenomenon. We both hold this procedure of measurements as a matter of establishing proportions. A value in the metric system is thoroughly relative.

We come to the relationship of the unit of account with that which is measured. The meter can function as a standard unit of account of length because it is long. It has to be measured itself to be able to measure; a circle must be established for the meter to do its job. This, I claim, also goes for money. Simmel disagrees with this, but he rebuts the idea of value as a particular quality by means of arguing that all it needs to possess is a general proportional relation to the world of commodities. It is this proportional relation that allows for money to measure fluctuations of exchange ratios in the world of commodities. But that argument means that money is exposed to forces of supply and demand; that it is valued—which is precisely my argument.

The nature of money is a crux in understanding value. As I have observed, the commodity theory of money argues for the existence of money with the

[215] BIPM, "SI Base Unit: Metre (m)," accessed September 9, 2021, https://www.bipm.org/en/si-base-units/metre.

help of value theory: a commodity in barter becomes money matter because of its high and stable value. Simmel shares some of the assumptions of the commodity theory of money, although he then moves on to argue that modern money's essence means that it can have no value in itself.[216] A credit theory of money instead argues that money arises from credit relations. I take the position of a credit theory of money when it comes to the problem of the moneyness of money. But from the perspective of the problem of value, the following seems to be necessary: once credit money enables a high degree of sophistication in trade, the two forces of supply and demand will come into existence. Money will need to measure those forces, which means that money must also be measured by them.[217] A currency has a metric value—it is evaluated on a market—and therefore it can also measure.

Money can function as a unit of account in measuring the relationships between commodities in terms of supply and demand because it too lives under the same conditions. That puts money under extraordinary pressure as a unit of account. The metric value of the meter is not absolute but it is very stable. In general, it is practical for a unit of account to have a stable value in measurement. With the meter, that might be challenging, and a degree of scientific sophistication has to be in place to arrive at the precision cited above. But with money, it is an impossibility. Because money must share the quality of being measured in the market, its own metric value is constantly in flux. We must ask for the values of currencies when we engage in trade, but we rarely need ask for the values of the metric system when we want to measure body length. The circle that is present but negotiable in the meter becomes vertiginous in money.

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[216] Simmel's analysis is complex. It includes the dimension of authorities fixing currencies and so on, and thus it is not a straightforward commodity theory. Yet he alludes to the commodity origin of money, and at times discusses it more explicitly. See e.g. Simmel, *The Philosophy of Money*, 151ff.

[217] The historical evidence points to the first monies being ideal unit of accounts with fixed exchange ratios. For example, the developed in Mesopotamia in the third millennium BC had its value established by fixed exchange rates. Michael Hudson touches on how such a system creates difficulties in other respects, as he writes on the strategy of authorities in case of bad harvests: "Monetary adjustments were unnecessary because royal 'debt management' annulled the debts that accrued when crops failed and debts grew to large for the rural economy to pay . . ." Michael Hudson, "The Archaeology of Money: Debt versus Barter Theories of Money's Origins," in Randall Wray, *Credit and State*, 115. That is, if exchange ratios are fixed, the flux in supply of a good, say wheat, cannot be reflected in prices, and the producing farmers will accumulate debts. For the fixed exchange rates of *deben* in the Old Kingdom of Egypt, see John F. Henry, "The Social Origins of Money: The Case of Egypt," in Randall Wray, *Credit and State*, 92. Importantly, coinage was first practiced in Lydia, 7th century BC. In relation to my tentative contention here, that at a certain point of division of labor market forces arise to which money must be subjected in order to function as a unit of account, it should be noted that the authoritative unit of account existed for millennia alongside "private" credit money. In connection to this, we should also note that with the Bank of England, the public and the private forms of money was hybridized—an arrangement that would soon spread. In that respect, Goodchild has a strong point in emphasizing the historical importance of that institution in his *Theology of Money*.

Add to that the dimension of power in money as authorities establishes currencies, and also influence their value by regulation of money supply. Furthermore, money as the medium of exchange is what turns demand into effective demand; money gives agency, and the lack of money means lack of economic agency. When we ask for the value of a currency, it is a metric question; by the same token, it is a question of intersections of social forces of tectonic magnitude. Noting the presence of such forces in economic measurement helps us navigate the conceptual problem of value, but that cannot fully explain it. Let us return to that contradiction between the two semantic fields of value: the metric and the normative.

7.1.2 Contradiction and Mediation in the Concept of Value

I have claimed that the metric and the normative fields of the concept of value amount to a contradiction. To make my point, I will now play with relating them to one another. A metric value is a measurement of something else. Can value also be a quality that is measured, so that an intrinsic value is given a metric value? Let us imagine that there is lump of value-substance out there against which the value of other things can be measured. That would make possible another analogy to a unit of account: the kilogram. Until recently, due to difficulties in abstractly determining the kilogram, the kilogram was a physical object made of platinum-iridium. There were a number of copies around the world calibrated against this original.[218] Allow for this lump to symbolize value, and the weight of other things being measured symbolizes the value of things compared to this value-object. The analogy is strengthened by this artifact being important to the whole world, locked up in Paris with high-level security. Imagine the havoc if the kilogram goes missing.

However, the precious platinum-iridium object was never a measure of weight. It is just heavy. The measure of weight was always the abstract unit of account: the ideal kilogram. The analogy breaks down because the physical kilogram incarnated an ideal unit of account. When one stands on a bathroom scale, one will see a number of kilograms displayed. But what is actually measured by means of the unit of account, the kilogram, is one's bodyweight, or mass. In the era of the platinum-iridium artifact, the value one saw on the scale was the "exchange ratio" between the mass of one's body and the mass

[218] The abstract definition was created only in 2018, after over half a century of troubles with copies diverging a few micrograms from the original, not to mention the problem that the original might change with time, or even be stolen. These troubles with measurement enforce Simmel's point. For a brief history of the kilogram, see BIPM, "Historical Perspective: Unit of Mass, Kilogram," accessed September 9, 2021, https://www.bipm.org/en/history-si/kilogram. Presently, the kilogram is standardized as follows: "It is defined by taking the fixed numerical value of the Planck constant h to be 6.626 070 15 x 10^{-34} when expressed in the unit J s, which is equal to kg m^2 s^{-1}, where the meter and the second are defined in terms of c and $\Delta\nu_{Cs}$." BIPM, "SI Base Unit: Kilogram (kg)," accessed September 9, 2021, https://www.bipm.org/en/si-base-units/kilogram.

of the platinum-iridium lump expressed in an ideal unit of account. The kilogram as a unit of account measures mass. The Parisian artifact shared with all other objects compared to it the quality of having mass.

Trained theologians will perhaps now think of how Thomas Aquinas said that the perfect goodness of God is the measure of the goodness of creatures. Is this the theological mediation between the contradicting semantic fields of value? No, because Thomas carefully separates the idea of God as measure from proportionate measure. Proportionate measure "must be homogeneous with what is measured. Now, God is not a measure proportionate to anything. Still, He is called the measure of all things, in the sense that everything has being only according as it resembles Him."[219] If we look at what Thomas says from the perspective of our problem, he is detaching a sphere of normativity from that of measuring proportions; from metrology. That Thomas saw a need to do so indicates that a confusion existed between the two, which he saw as problematic. God as the measure of all things cannot be understood in a proportional manner. God is not a measure in the same manner as a unit of account.

Let us return to our contemporary problem. The moral field of value cannot be reconciled to value as a metric concept. Both semantic fields of value are important. But it would be useful to have two different words. From the perspective of the semantic field of value as a metric concept, the idea of value as a quality or a substance is an oxymoron. Nothing less. That does not mean that "true values" or" intrinsic value" as a quality cannot exist. These terms may denote important spheres of human existence. That is precisely why it would be useful to have at least two terms.

Semantics is commonly defined as the study of meanings. In his analysis of the history of *oikonomia*, Giorgio Agamben distinguishes between the semantic nucleus of a term and its denotation. According to Agamben, a wide range in denotation does not necessarily change the semantic nucleus—on the contrary, a term can progressively expand in its denotations or even change denotation because the semantic nucleus remains intact.[220] Agamben's attention to this issue is what enables him to claim that the term "economy" has remained self-identical while migrating from its previous use in Christian theology to present-day economics.[221]

Using the same distinction as Agamben, but for a different term, I have claimed that value has at least two semantic trajectories. If economy has one semantic nucleus but different denotations, I argue that value has at least two

[219] ST I, q. 3, a. 5, ad 2. I use the following translation when I quote Thomas: *The "Summa Theologica" of St. Thomas Aquinas*, trans. the English Dominican Province, 2. ed. (London: Burns Oates and Washbourne, 1920).
[220] Agamben, *The Kingdom and the Glory*, 20–21.
[221] According to Agamben, this is what makes economy what he calls a signature (*segnatura*). For an explanation of the signature, see Agamben, *The Kingdom and the Glory*, 4. For a fuller methodological discussion, see Agamben, *The Signature of All Things*.

semantic nuclei, which cannot be reconciled. At first glance, that would make the multiple nuclei homonyms. That is not the case, as the reader may guess from my discussion on the role of money in measurement. I argue for the intrinsic connection between the nuclei in what follows.

But first, we need to make a clear distinction between them. Value has a metric nucleus and a normative nucleus. The different denotations are coherent in relation to the respective nucleus. Let us call the metric value (1) and the normative value (2), with the concomitant theoretical frameworks value theory (1) and value theory (2). There is a theological mediation between them in the subjective value theory. This mediation is what makes the contradiction between them qualitatively different from the homonym.

Let us refer back to *Merriam-Webster*, because its fourth entry on value quoted above is a giveaway here: "something (such as a principle or a quality) intrinsically valuable or desirable." The notion of intrinsically desirable is the less self-contradictory term, but it still gives pause. Is desire not something that someone feels for something? What does "intrinsically desirable" mean?

Desire, at least according to the English grammar, arises in the desiring subject. One desires a diamond—a diamond does not desire anything at all. One need not take English grammar to describe the truth of the mysteries of the human heart involved in the determination of values. It is possible that in processes of evaluation and valuation, the valued object is more active than reflected in English grammar. That interpretation is plausible given Goodchild's argument in *Theology of Money*, which highlights the collective and recursive structure of this process. Due to structures that go beyond one human's relation to a diamond, desire is not precisely an individual affair. However, that desire involves the first-person perspective is beyond doubt. So, what can "intrinsically desirable" mean? It can only mean that this necessarily entices desire with everyone. This is a truly normative idea.

"Intrinsically desirable" suggests that if one is untouched by this intrinsically desirable something, there is a problem with the person and not the object. As it happens, the Christian tradition teaches that human desire is ultimately directed toward God—or should be, were it not for the Fall. The idea is that desire is ultimately for God, and if one does not desire God, it is because of the corruption of sin. God is intrinsically desirable. We saw different versions of this structure in the four micrological analyses. In the first three, it is the Christian God that is the ultimate telos of human life. In *Theology of Money*, the concept of God was more elusive, yet Goodchild doubtlessly operates with a notion of true value closely tied to divinity and the subject matter of theology.

The intrinsically desirable is the mediating theological link between value (1) and value (2) in the subjective value theory of both Christian theology and the market economy. The Christian version is straightforward: God. In the market economy it is less self-evident. As a consequence of the overall setting where money enables markets, measures value, and is an intersection of social forces, money becomes similar to the intrinsically desirable. But it is clear that the ultimate goal of desire is not really "intrinsic" in money—money is desired because of its extraordinary capacity as a means.[222] If we remain with the idea of the intrinsically desirable, we can see that money does not fit that idea. Neither is it supposed to measure the intrinsically desirable. True, the metrological aspect of price concerns desire, since exchange ratio measures supply relative to demand. But in mainstream economics, there are no claims regarding the intrinsically desirable. I have argumentative work to do to show how this value theory nevertheless involves value (2).

Can one speak of something as intrinsically desirable without invoking theology? The answer depends on the definition of "theology." When Plato conceived of the ideal sphere and the hierarchy of being, where the ultimate ideal is the most desirable, was he doing theology or philosophy? My point is not to make absolute claims regarding the theological nature of such a statement, but to point out what kind of claims are involved in "intrinsically desirable." I call such discourse theological, because "intrinsically desirable" in two words encapsulates a whole hierarchy of being, including both object and subject, as follows. In stating something to be intrinsically desirable, one does not merely state something about that object, but about the relationship between the desiring subject and this object in a way that has universal implications. An ideal of the subject is posited, and a concomitant definition of any actual subject in relation to the ideal: one's desire is either a real and good desire, or one's desire is false, distorted, perverse, depending on whether or not one desires that which is intrinsically desirable. Because the statement is still on the object, the intrinsically desirable, and not the desire or the subject, it means that all subjective desire has the same object. This statement does not concern love for one's spouse or desire for money, at least not directly, but concerns a truly ideal sphere. The intrinsically desirable is universally desirable, and so it concerns Truth, the Good, or God.

Depending on the definitions at stake, one could call this discourse theological, metaphysical, or perhaps moral realism. Since it is a core part of mainstream Christian theology, and I study the relationship between Christian theology and market economy, I call it theological. Hence, this is the theological form of linking the measurement of evaluations (value (1)) with the intrinsi-

[222] Both Goodchild and Simmel discuss how money as a means becomes the most desired. For example: "The value of a given quantity of money exceeds the value of the particular object for which it is exchanged, because it makes possible the choice of any other object in an unlimited area." Simmel, *The Philosophy of Money*, 228. "[A] price difference signifies all of the other possibilities available for that sum of money". Goodchild, *Theology of Money*, 116. Both analyses could be translated to the economic concept of opportunity cost, but with an emphasis on how in parting with money one loses not a definite opportunity, but opportunity as such. In any case, even if money becomes the most desired, that does not make it intrinsically desirable in an absolute sense.

cally desirable (value (2)). Having finally arrived at a possible mediation between the two semantic nuclei of value, it is time to turn to what I call the order of value, since the mediation is of essence in it.

7.2 The Order of Value

In Christian theology this idea of the intrinsic desirability of God is articulated in relation to the Trinity, with immediate implications for knowledge and order. I will show that within the parameters of Christian theology there is a firm doctrinal basis for a coherent subjective value theory in which the metric semantic field of value merges with its moral counterpart. Next, I will return to the theological setting of nineteenth-century political economy and the first formulations of the market order as the optimal order. Only then will the ground be prepared enough to show that the market economy contains a theological mediation of value (1) and value (2).

7.2.1 Pneumatology, Knowledge, and Order

It has been common in Christian theology to posit the Holy Spirit as Love itself, as the bond that maintains unity in the three persons of the Trinity. Anselm of Canterbury in his prayerful way writes that there is "one love that is shared by you and your Son, that is, the Holy Spirit, who proceeds from you both. For this love is not unequal to you or to your Son, since you love yourself and him, and he loves himself and you."[223] A technical way of describing the trinitarian relationships mediated by the Holy Spirit as Love itself can be found in Thomas's *Summa Theologiae*:

> The Holy Ghost is said to be the bond of the Father and Son, inasmuch as He is Love; because, since the Father loves Himself and the Son with one Love, and conversely, there is expressed in the Holy Ghost, as Love, the relation of the Father to the Son, and conversely, as that of the lover to the beloved. But from the fact that the Father and the Son mutually love one another, it necessarily follows that this mutual Love, the Holy Ghost, proceeds from both. As regards origin, therefore, the Holy Ghost is not the medium, but the third person in the Trinity; whereas as regards the aforesaid relation He is the bond between the two persons, as proceeding from both.[224]

[223] Anselm of Canterbury, *Proslogion*, trans. Thomas Williams (Indianapolis, IN: Hackett Publishing Company, 2001), 21.
[224] ST I, q. 37, a. 1, ad 3. The complexity of his trinitarian argument and the exact meaning of the terms cannot be determined here. But it is important that while calling the Holy Spirit by the name Love, as the person who proceeds from both father and son and unites them, Thomas distinguishes between the essential and the notional meaning of the term to love. He argues that essentially, the Father loves himself and the Son directly, but notionally, the Father loves the Son through the Spirit.

The triune God is love, not only in the sense that God loves, but in the precise sense that one of the three persons goes under the name Love. God is intrinsically desirable, not merely because it is good to desire God, but because it is part of the definition of the Trinity that God desires Godself essentially and boundlessly.[225]

My aim is not to present an exhaustive picture of trinitarian theology. My point is that this is one influential interpretation of central Christian doctrines, one that gives us an emblematic expression of the idea of the intrinsically desirable. Furthermore, the Spirit as poured out in creation also guarantees the truth of the relationship between God and the faith community. For this reason, pneumatology is historically contested: divine inspiration has over the millennia repeatedly been claimed by "heretics" and dissidents who criticize church structures or doctrines. Insofar as God's love extends to humans, it also has consequences for theological epistemology. Pneumatology thus concerns principles of authority and hierarchy too. We now approach the heart of the matter: a theological linking of order and knowledge as potentially present in the doctrinal identification of God as the intrinsically desirable.

Much of Christian theology maintains that human reason can derive some truths about God from creation, and that other truths, such as God's trinitarian nature, have been revealed in the Scriptures. Most Christians would also agree that the Spirit continues to communicate with human beings in every historical epoch. This last contention is crucial, but institutionally speaking, it is problematic. Because the fundamental orientation of human desire is corrupted in the fallen world, faith, or the desire for God, is usually thought to be aroused by the movement of the Spirit, which begins the restoration of human freedom and the capacity to love. This awakening is an event or process that involves the whole human person, concerning their faith, hope, and love—and knowledge too. But people who feel as if they are being led by the Spirit are sometimes, from the perspective of the church, led astray. The history of Christianity is shot through with such contestations. In any case, personal faith, authority, and knowledge are intrinsically linked to God as Spirit.

When twelfth-century monk and mystical theologian William of St. Thierry—not so widely known, as he stood in the shadow of his famous friend Bernard of Clairvaux—identified knowledge with love, he was making consistent use of the doctrine of the Trinity. According to Emero Stiegman, William wrote the "profoundest theology of the Trinity, the most systematically developed anthropology of Image and Likeness, and the furthest probe into

[225] I use the term "essentially" to mark out a distinction from "existentially" and "accidentally," depending on philosophical terminology, but I do not postulate a definition of the term myself. God loves Godself essentially also with Thomas's more precise use of the term, although as essential love, the persons of the Trinity love one another directly and not in terms of the Spirit as Love. See the previous footnote. Whether or not Thomas's differentiated terminology is used, the doctrine of the Trinity gives a particular weight to Love as a name for God in Christian theology.

the relationship between love and knowledge" of the twelfth century.[226] To William, the human *imago Dei* was corrupted in the Fall, but we can strive towards *similitudo Dei*, likeness to God. This likeness is approached by spiritual prayer, which is a conformation of the human will to the divine will. Stiegman quotes William: "The Holy Spirit, the unity of the Father and the Son, is also the love between God and the human being, and their likeness."[227] That is, insofar as the human loves God, the human is drawn closer to the divine and her *similitudo Dei* increases. This is a transforming and enlightening process. For his maxim, William took *amor ipse intellectus est*—love itself is our knowledge.

William's straightforward proclamation may be unusual, but it is consistent with mainstream Christian theology. A more careful way of expressing a similar connection between the divine and the human, and between love and knowledge, can be found in Thomas's discussion of the temporal mission of the Son and the Spirit—that is, their presence with human beings in history:

> [T]here is one special mode belonging to the rational nature wherein God is said to be present as the object known is in the knower, and the beloved in the lover. And since the rational creature by its operation of knowledge and love attains to God Himself, according to this special mode God is said not only to exist in the rational creature, but also to dwell therein as in His own temple.[228]

Thomas does not identify love with knowledge in the human realm. Yet it is clear that love and knowledge are tightly interwoven not only in God—whom is entirely simple to Thomas—but insofar as divinity is present in and for humans, love and knowledge are interwoven for humans too. The century that separated William and Thomas saw a significant development in scholastic theology, and if William seems Platonizing, Thomas is known for his Aristotelianism. Yet what they share is a common way of understanding love, interwoven with knowledge, as a communicative principle between God and the human creature.

In Christian theology, knowledge and normativity, subjectivity and objectivity, are more often than not aspects of a whole rather than distinct from one another. The desire for God that is true knowledge is already the infusion of the third person of the Trinity, Love itself, in one's heart: this is the meaning of inspiration, that combination of joy and insight. One is by way of love drawn into the truth of things. To remain within the bounds of orthodoxy, this process can never be imagined to be completed in this life, and it requires from the inspired a degree of humility toward the authority of tradition. Further-

[226] Emero Stiegman, "Bernard of Clairvaux, William of St. Thierry, the Victorines," in Evans, *The Medieval Theologians*, 140.
[227] William of St. Thierry, quoted in Stiegman, "Bernard", 141.
[228] ST I, q. 43, a. 3, co.

more, in several different theological interpretations, sin is too serious an obstacle for this process to gain momentum on this side of the *eschaton*. Nevertheless, to the extent that it is deemed possible, true desire is the road to goodness and truth.

The point of this trinitarian excursion is to show that the four contemporary theological texts studied in chapters three through six are, by connecting subjective desire to good order, consistent with Christian doctrine. Human desire, if it desires God, is knowledge of the good, and acting on love for God is to act good. It is love, knowledge, and good order, perfectly merged into a whole. The goodness of such a desire is guaranteed by the intrinsically desirable God—in theory. For this idea to work in practice, a reordering of human desire is needed so as to align it with the true telos of humanity. Emancipate or reorient human desire, and good economic order will follow. This is what we saw expressed in each of the four contemporary theological texts.

According to Christian doctrine, God loves God infinitely. Desire in the human realm, on the contrary, has an ambiguity to it because it bespeaks the Love for which each human being longs, yet in a fallen world the subjective side of this desire is disordered. Humans tend to desire things in and for themselves, rather than use them for the sake of true love. Our desire is detached from its source—what Goodchild would call the source of the value of values—and vainly chases the ephemeral beauty of gems or the power that resides in wealth. Thus, we fall prey to idolatry. Original sin drives a wedge into any Christian version of a subjective value theory; hence, the patristic thinkers placed market value under the scepter of sin. But to remove market value from that realm in the Christian cosmos and place it elsewhere does not necessarily effectuate a change in the core doctrines.

Original sin is differently configured by different theologians and in different traditions. In some, sin is brushed off comparatively lightly, leaving it within humanity's grasp to reach perfection with God's grace and the communication of the Spirit. This is the case with Stephen Long's *Divine Economy*. But at any rate, from a Christian theological point of view, the main objection to a theological subjective value theory would be original sin, wedged as it is between human desire and the intrinsically desirable. Remove that wedge, and it makes perfect theological sense to argue that subjective evaluations can produce good order insofar as they themselves are properly ordered: that is, insofar as we are guided by love.

Considering the notion of the Fall and the need for salvation to rectify humanity, one might conclude that the subjective value theory does not fit with Christian theology. Yet, it is as though the problem of sin paradoxically lends the subjective value theory force in the contemporary Christian setting. It is the fallenness of the present condition that construes a need for subjective transformation. The recurring theological idea of a re-ordering of the economic places commerce within the context of emancipation. The market is interpreted in terms of sin and salvation; value theory (2) is superimposed on value theory (1). Is it perhaps that sin is not only the wedge that separates the present disorder from the perfectly realized order, but also the linchpin that keeps them together dialectically in theological considerations of economic reform?

In the four contemporary theological texts, we saw a strong belief that human desire can produce good order, given its reorientation. Both Cavanaugh and Long primarily moved within the market setting but with ideas of theologically geared desire; value (2) will affect value (1), and the oscillating movement between the two will produce perfect order. In the other two texts, the relationship to the market is less clear. In *God and the Evil of Scarcity*, Barrera recognizes the limits to the market mechanism, which means that the market order is not self-sufficient. Truly good order is argued to be possible only if the market order is complemented by other venues for economic agency. Human desire for the good itself is not straightforwardly identified with market demand, even though the two are one another's analogies. Barrera explains value as meaningful human existence—value (2)—by recourse to supply and demand curves—value (1). In *Theology of Money*, Goodchild problematizes the market situation on the basis of his critique of money. In my terms, his claim is that metric value (1) cannot reflect true values (2). However, this very flaw in value (1), or in exchange value expressed in money, is the real problem according to Goodchild. Thus, his suggested solution is to reform money so as to enable value (1) to be determined by value (2).

In all four theological texts the assumption is present that rightly ordered desire can produce good economic order. They are different versions of a subjective value theory that merges value (1) and (2). But what about the market economy?

7.2.2 The Normativity of Metric Value in the Market Economy

The first seeds of the marginalist value theory of the market economy germinated in scholastic just price theory. Just price theory was divorced from considerations of faith and love by careful conceptual distinctions. Love was still considered the telos of human life, but in commerce, the prime objective was to safeguard justice without disturbing an advanced division of labor. That is intrinsically linked to another crucial feature: in the just price model, competitive markets could safeguard justice in principle, but not transform human society. In the most complex models of economic self-equilibration via market price, such as Olivi's, the order in markets was considered under the conditions of fallen nature, and not understood within the bounds of the transformative process of salvation.

With Smith, something changed. According to Waterman, Smith understood nature to be teleologically working its way in accommodating market price to natural price. As I read Smith through Waterman and the grid of Christian doctrine, what Waterman calls nature (2), factuality, was nature after the

Fall, with its mixture of good creation and sin, but in a process of being drawn more fully into good creation. I deemed this thought structure to concern the process of salvation. Smith has been known to turn vice into virtue. If he did, he did so not by redefining avarice so as to become virtuous; instead, he imagined vice to be turned into virtue but by a teleological nature that transforms also the vicious into an instrument of good.

The marginalists did redefine avarice or self-interest theologically, describing it as a pivotal part of the perfect order. In the marginalist conception, the part of nature that was previously signified by the term "sin" was now understood to be a part of good creation in a thought structure devoid of ideas of original sin. That explicitly happens in Gossen, and the structure runs through the less theologically-minded marginalists. The marginalists adopted Smith's idea of an ordering effect of the market itself, but without teleology. If rational self-interest is part of the good order, and value (1) measures self-interested calculations pitted against each other—then value (1) and value (2) are connected.

I have now prepared the ground for arguing that the market economy contains a theological mediation of value (1) and value (2). A counterargument to such a statement is that however much the marginalists drew on the ideas that originated with just price theory, they had no conception of the "intrinsically desirable." For them, there is no intrinsically desirable object out there, no value (2). But in marginalism, human desire will nevertheless be naturally structured in a way that results in an optimal order. The abstraction "self-interest," that in later mainstream economics is often replaced with the more neutral term "rational preferences," can be considered the orientation of desire. The actual rational preferences may differ, but it is self-identical as to its form. In that sense, the intrinsically desirable Love has been replaced by self-love.

The isomorphism is that any given desire is predetermined, in marginalism not in terms of object, but in the subjective meaning of the object. If this were not true, the marginalists would not have solved the value paradox. The question is why diamonds are dear and water is worthless. The church fathers had, I argued, one answer: because people's desires are perverted. The marginalists had another: because people's desires are rationally ordered. Though the marginalists argued from a subjectively perceived value rather than a value substance, they arrived at the conclusion of a rational value order. This value theory has no preconception of a predetermined rational order of values; but it affirms the rational order of the price on a competitive market.

That means that the flexibility of the concept of rational preferences is a scientific problem. This is hardly an original observation of mine. The problem is aptly put by Amartya Sen: "no matter whether you are a single-minded egoist or a raving altruist or a class-conscious militant, you will appear to be maximizing your own utility in this enchanted world of definitions."[229] That is why pitting the objective value of God against the values of the market, the way Cavanaugh and Long do, cannot move marginalist rationality an inch. While Sen's contention is indisputable, my argument raises the stakes. The marginalist continence regarding the intrinsically desirable and the hierarchy of being only has the effect of entrenching the objective validity of the order of the market.[230]

For the early marginalists, the redefinition of "vice into virtue" was enabled by assuming that self-interest was part of a natural order, or good creation. Letting such natural desires loose would, in their view, generate the optimal social outcome. Price, value (1), is the organizing principle for the optimal social order, so the value theory is value theory (2). This structure enables the historical transition from market as places and meetings of economic agents, to an overarching social order, a placeless market. If the price were a mere exchange ratio, a mere metric value, it would have no intrinsic consequences for how to organize a society. But price is no mere metric value. It is a signal that is intended to order subsequent behavior. This is the core of the market mechanism.

To bolster my case, let us turn to Stefan Schwarzkopf's theological genealogy of the placeless market. In his genealogy, we find a depiction of the secularization of the market order in nineteenth-century British political economy.[231] In that context, Anglican thinkers made the seemingly paradoxical move to theologically legitimize and actively secularize the deist and mechanist notion of a self-ordering market. These Anglican theological economists were engaged in natural theology, in which a natural market order was thought to fit perfectly and would also be able to function as a proof of God. But the field of political economy was in danger of being taken over by radicals and atheists. It was therefore necessary for the Anglican economists to defend "political economy as a value-neutral 'science' that should be kept free from

[229] Amartya Sen, "Rational Fools: A Critique of the Behavioral Foundations of Economic Theory," *Philosophy & Public Affairs* 6, no. 4 (1977):323, http://www.jstor.org/stable/2264946?seq=1&cid=pdf-reference#references_tab_contents.

[230] That creates problems with the idea of a self-equilibrating market, since its methodological individualism is disturbed. A similar problem is expressed in the economics term "endogenous demand." The marginalist value theory in real life reads as: diamonds expensive because people, being rational, demand them, and they are scarce—a diamond's marginal utility does not diminish. Because they come in high demand, I demand them too. That is endogenous demand; a feedback loop, where I demand what others demand because it is rational. The real-world risk of such feedback loops, or bubbles, is imminent, although endogenous demand is a theoretical impossibility from the perspective of a self-balancing market. For endogenous demand as an aporia of general equilibrium theory, see Frank Ackerman, "Still Dead after All These Years: Interpreting the Failure of General Equilibrium Theory," in Ackerman, Nadal, and Gallagher, *Flawed Foundations*, 14–32.

[231] For an analysis of that moment of secularization, see also A.M.C Waterman, *Revolution, Economics, and Religion: Christian Political Economy 1798–1833* (Cambridge: Cambridge University Press, 1991).

proto-socialist political ideologies, and that could no more be in conflict with religion as mathematics or the science of planetary movement."[232] From both the natural theology perspective and the perspective of defending the content of this natural theology—the natural market order—against the radicals, it made perfect sense to argue that the market order was theologically neutral; a natural order, open for everyone to behold. The two purposes of these theologians were achieved in one stroke: to find in the natural economic order a proof of God, and to defend this natural order as a neutral object for scientific exploration. As a result, the disciplines of theology and political economy were estranged. Schwarzkopf's point is that by this instance of theologically driven secularization, a theological invention—the market mechanism—was enforced as a neutral social ordering device. The market order was theologically conceived and secularized by theological means.

With this narrative of secularization in mind, we can return to the issue of the metric-normative nature of value in the market economy. I argued that insofar as an optimal or good natural order is assumed to be reflected in the price mechanism, value theory (1) is also value theory (2). Some eighteenth- and nineteenth-century economists would have considered this natural order good creation within the Christian realm of natural theology, and some would have understood it as nature in a theologically neutral sense. But if Schwarzkopf is right, the very naturalness of the market order is a theologically conceived nature, the nature of natural theology.

There are isomorphisms of value in Christian theology and market economy. Nevertheless, isomorphism is not identity. An important gulf separates the thought structures of the market economy and Christian theology. In the market economy, value (1) is the aggregate of subjectively perceived value. It functions as a central mechanism to achieve order, so a measure, value (1), is an instrument in a normative value theory (2). Value (2) cannot be objectively determined for this theory, because determining what people should demand would disrupt the dynamic process of measuring supply and demand, value (1).

In Christian theology, the determination of value (2) and the relationship between subjective desire and the intrinsically desirable is a prime objective. Christian theology is explicitly concerned with normativity, with value theory (2). While value (2) can be argued to orient the desires that affect value (1), value (1) can never become value (2). Value (2) is never an aggregate and can never be determined by pitting the self-interest of individuals against one another. If only two people in the world desire God, then they are nevertheless the ones who have found the truth. Furthermore, these two desires are directed toward the same end and are not antagonistic. Value (2) is self-sufficient, and while it may have different expressions in different lives it remains self-identical.

[232] Schwarzkopf, "Markets," 170.

We are now ready to define in more abstract terms the isomorphism I have found between contemporary Christian theology and the market economy. What I call the order of value is *a notion of value that merges value theory (1) and value theory (2).* The key lies in individual evaluation or desire. *Insofar as it is assumed that value (1) can effectuate good order (value theory (2)), we have an order of value.* The market economy contains the order of value insofar as societal decision-making is done via the price mechanism, which is a defining feature of a market economy.[233] It is less clear with Christian theology, since the order of value is not an essential part of it. But insofar as it is assumed that subjective evaluations (measured in value (1)) can order the economy (value theory (2)), Christian theology contains an order of value.

7.2.3 The Problems With the Order of Value

The four contemporary theological texts I studied all perceive serious problems with the current market economy, and all argue that the problems are ameliorable. But they all assume that subjective valuations in economic transactions on a large scale can produce good order. There is a potential problem with that assumption, the consequences of which look different in the different texts. The problem is that the market mechanism can only respond to effective demand—that is, to human subjective evaluations expressed in money. If one is not a human being, or if one is a human being but moneyless, then one's needs and values are not heard, and cannot have an impact on the organization of the economy. In this section, I collect threads from the analytical chapters about that problem with the order of value.

The claim in marginalist value theory is that value is a measure of the relationship between supply and demand. But that metric value, price, also orders subsequent behavior. On the consumption side, it does not tyrannically control behavior. It controls behavior the same way "values" do—by informing and shaping evaluative processes. But the price of one's labor determines one's range of agency. The price mechanism on each side of the agent means that different exchange ratios of different life essentials entirely shape one's life. This is lived reality in a market economy. Every agent is caught between being evaluated and priced, and evaluating and pricing.

Only a demand backed by money is effective in a market. This means that the freedom of the market is the freedom of those who are given a high value on the labor market, and those rich enough to not have to work. It also means that the poor cannot effectuate a change in the production and distribution of resources this way. The poor as a group cannot raise the living conditions of the poor through the market mechanism. A common route to take is to instead collectively decide to accept work only on certain conditions. It is noteworthy

[233] The degree to which depends on the mixture of market and command elements in a given market economy.

that this common form of economic agency for the less powerful party on the labor market is not explored in the four theological texts I studied. But an even more problematic trait of the order of value is that only the human beings who are alive in the present moment can make their demands heard, and then only if they have money. There is no systemic way to integrate the needs of non-humans, or of past and future generations, into the market order.

The order of value is systematically blind to everything but money. It is systemically blind in the sense that when one enters the order of value, it will condition what can possibly be known within its framework. Price is supposed to be information about the relationship between supply and demand, but only effective demand can enter this information. Value (1) from the outset excludes information about what Smith called absolute demand—but also about the non-human world, and future generations. Insofar as we think of the economy from the perspective of individual transactions, we will remain systemically blind.

In theological projects that share the premises of the market mechanism, such as *Being Consumed*, or those that even see market exchange as a reflection the divine economy, such as *Divine Economy*, it is not surprising that we find a difficulty to perceive the agency and perspectives of economically marginalized people. In contrast, in *God and the Evil of Scarcity*, Barrera is aware of the limits of the market mechanism in terms of externalities and unfair income distribution. To Barrera, good order encompasses more than market exchange, and non-market economic agency is required to establish good economic order. Justice must be upheld by a combination of different venues for economic action. While community is also the overarching norm for human agency in Barrera's case, it is not posited in the trading situation as a means to change the market order. On the contrary, Barrera holds price as an information signal for the allocation of resources, not as a means for accomplishing fair income distribution.

Importantly, from Barrera's perspective in *God and the Evil of Scarcity*, the difference between effective demand and absolute demand concerns the difference between what can and what cannot fall under the market mechanism. However, in my analysis of *God and the Evil of Scarcity*, I found that the distinction between the market mechanism and its outsides was blurred by the existentially expressed subjective value theory. In *God and the Evil of Scarcity*, there is an explicit interpretation of the human corporeal situation in terms of opportunity cost and its relation to value. That means that human agency cannot be one thing on the market and something else outside of it.

Barrera is not alone in his definition of human agency in terms of opportunity cost. I have pointed to the same phenomenon in the early marginalists, as well as in Samuelson and Nordhaus's textbook. It is clear from how the early marginalists described their value theory that they built their argument out of a conception of human nature in general. Samuelson and Nordhaus similarly explain the opportunity cost situation in the existential terms of "the road not taken," that concern human decision making as such. Yet, opportunity cost is directly related to price and the market mechanism: "*In well-functioning markets, when all costs are included, price equals opportunity cost*," Samuelson and Nordhaus declare.[234] That means that the market order is placed directly on a fundamental anthropological condition. Looking at the world from the conceptual foundations of mainstream economics, the market order can in principle be expanded to cover human existence in its entirety.

This is also the only possible interpretation of Barrera's *God and the Evil of Scarcity*. To Barrera, even the original sin of Adam and Eve is an economic decision, because he makes consistent use of the conceptual definitions of economics. Long is right in *Divine Economy* when he points out what he calls the metaphysical assumptions of the economists, in the sense that the fundamental conceptuality of mainstream economics necessarily encompasses human existence as such. But Long's unspecified critique of the assumed fact-value distinction in modernity obliterates his insights. He fails to realize that precisely those metaphysics mean that there is no absolute distinction between facts and values from the micro-perspective of the central value theory, and that the facts that interest economics in market exchange are what people value. The fact-value distinction instead posits that economists should not tell people what or how to value. That is why the fact-value distinction is important. It opens up for other forms of societal decision-making, such as politics, that can, for example, make sure we tend to the needs of future generations.

Furthermore, even though Long is correct to identify metaphysical assumptions in the concept of opportunity cost, they do not have the consequence he claims: namely, that economists regard money as more important than for example, love. Instead, it means that love is readily understood in terms of value. "I value my family," one can coherently say to oneself when one decides not to work too much because one wants to spend time with one's family. Here, we see that very merging of value (1) and value (2), of what Long calls facts and values. The value (2) of our family to us can be "calculated" by what we sacrifice for it, just as the value (1) of my favorite cup of coffee can be understood in terms of the opportunity cost of the money used to purchase it. Or just as the choice to sin against God can be interpreted in that way.

From a theological perspective, much could be said about this interpretation of human existence, but Long's response, to argue for a Christian market economy grounded on God's plenitude, will not work. It will not work in the empirical world where resources and time are limited, but neither can it work within the bounds of Christian theology. There is an isomorphism here between Christian theology and the market economy, as Barrera showed us. In Christian theology, the human being is exposed to scarcity in an isomorphic manner to opportunity cost. A theological critique of value need to take other paths than Long's vision of a Christian market.

[234] Samuelson and Nordhaus, *Economics*, 140. Italics in the original.

The question that must be posed about the opportunity cost structure and its relation to price and the market mechanism, is if this fundamental economic conceptuality is not too wide to sustain itself. If any choice is an opportunity cost decision, and opportunity cost is in principle directly related to price and value, then the market mechanism can also in principle cover human existence as such. In reality, it cannot do so, or at least, it cannot do so well. For example, as market agents, we cannot incorporate the full environmental effects of our actions in our market decisions. As we saw with Barrera's *God and the Evil of Scarcity*, if education was up to the market mechanism, education would as a rule be left undone. For any market to efficiently function, mainstream economists argue, that which it externalizes must be covered by vectors of power that run outside of the market. For that reason, presently "all societies are mixed economies, with elements of market and command."[235]

The crux is that there is no other human species than the same one that fails to take care of externalities through the market mechanism. We have no warrants to assume the same person acts in one way on the market—rationally maximizing his own utility—and employs another kind of economic rationality outside of it. If the marginalist value theory holds, then the only difference between democracy and the market is that in the former, votes are equally distributed. It is irrational and inconsistent to assume that the market mediates between antagonistic interests to generate a good order, and that politics exists to take care of what the market mechanism externalizes.

It is feasible that humans act differently in the market from outside of it, if we think of the market as a set of rules that will induce people to act in given ways, but outside of these rules, they will act differently. But that means that the market order is not a "natural" human order, developing from anthropological assumptions of opportunity cost. This is a serious problem. If the anthropological assumptions do not hold, then that would disrupt the theory of value which I have claimed to be inextricably linked to market order as a decentralized form of societal decision-making. I cannot press further on this point, nor resolve it. But it is possible to state that the need for other forms of societal decision-making alongside the market mechanism constitutes a theoretical aporia. The potential repercussions of it are serious. It may be that it works perfectly fine to separate human agency into the economic, and the political or moral, but the philosophical justifications for this assumption are at present untenable. Furthermore, given the chasm that separates the research on anthropogenic climate change from the slow political response to such facts, it seems as though this division of labor between market mechanism and the political sphere is presently inefficient on the pragmatic level as well.

Insofar as the voices of the poor are not integrated into the market order, it is not optimal from a number of perspectives; insofar as the needs of that

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[235] Samuelson and Nordhaus, *Economics*, 8.

which is not human are not integrated into a society's order, the risk is imminent of serious disturbance or even collapse of the biosphere of that same society. As I have argued, the order of value cannot integrate such outsides in a monetary market economy: it has systemic blind spots.

It is time to close the circle and return to my introductory presentation of this study as a "post-Christian" project. I have repeatedly claimed that we need a critique of value. Such a critique might take different shapes. In the concluding section, I will suggest what that might look like in the theological setting.

7.3 Post-Christian Theology and the Problem of Value

I have argued for value as a cosmological problem, a problem of order, common to theological and economic thought. It is time to ask what this means theologically. Can the results point to new areas of research for contemporary academic theology?

I defined post-Christian theology as a perspective from which one may fruitfully approach the relationship between Christian theology and the market economy. I have taken different explorative paths with the post-Christian perspective as a heuristic lens that focused on the interrelatedness of Christian theology and the market economy. In this undertaking, I have first performed a theological analysis of the history of the subjective value theory, and explored to what extent theological structuring principles may continue to be active while secularized. Second, I have subjected contemporary theological texts to a critical-theoretical mode of analysis, dismantling theological meanings and looking for economic structures. Third, I have argued that the market economy and these contemporary Christian theological texts share a thought structure that I call the order of value: a conception of value that merges the metric and the normative; where subjective evaluations are understood to be able to produce good order.

That said, it is important to underscore that I have not argued that contemporary Christian theology is marginalism in disguise. Neither have I argued that the market economy is but an instantiation of Christian politics. Instead, what I have shown is the following: a) the historical development of the marginalist value theory involved a series of theological considerations; b) the four contemporary theological texts show isomorphisms with marginalist value theory; and c) these common thought structures regarding the ordering function of subjective evaluations fit with the overall framework of Christian theology, but they have problematic implications from a theological perspective.

These results are significant for the discipline of theology in three senses. First, theological analysis has proven to be a helpful tool in the interpretation of the current secular social arrangements of the West. Accordingly, the interdisciplinary interest for theology has soared over the last couple of decades.

Such a contention is not new and in a longer historical perspective this recognition is but old wine in new skins—think of Friedrich Nietzsche, or the work of Max Weber and Carl Schmitt. Yet, in the present thoroughly secularized context, the relatively broad rediscovery of the theological import of secularization takes on a different critical edge. In the introduction, I referred to this rediscovery as political and economic theology. However, despite this broad interdisciplinary revisiting of theology, the contemporary discipline of academic theology itself is avoided, perhaps because it is perceived to be the irrational or moralistic other of rational analysis and critique.[236] Contemporary academic theology is rarely engaged as a trusted partner in such explorative matters. Theology often plays the role of an intermediate object of study—normative theological texts of the past are analyzed only to shed light on the present. The analytical thrust of theology past and present has a hard time reaching outside its own institutional boundaries. As I approach the end of this study, I call on theologians to put their theological competence to use as cultural critique, meeting other disciplines on common ground.[237]

Second, contemporary theology has largely forgotten that economic analysis and argumentation has been a part of theological thought for millennia. Theological analysis of the historical theological formulations of economic theories and the crucial impact of these theological formulations on subsequent development in economics is scarce. As an instructive contrast, the contestations over temporal and spiritual jurisdiction in medieval Europe and the repercussions of such discussions in subsequent developments of political theory as a field has been widely discussed and analyzed. I argue that theology should reclaim economic issues as part and parcel of theology and do so in a manner which engages the discipline of economics. This is not to say theologians should try to do what economists do. Instead, I suggest that theologians may 1) advance an understanding of how economic problems were once understood to be theological, as well as discern the non-theological aftermath of such historical engagements, and 2) again theologically analyze contemporary economic expressions of once-theological problems. The lack of theological attention to such matters is a lacuna. Furthermore, one of the effects is that when theologians do turn to economic issues, there is a tendency to underestimate the connections between Christian theology and the economic system that is treated. Due to this lacuna it is often argued that theology and economics are contrasting disciplines and that theology can come with solutions, or function as a complement to economics. One might say there is a certain theological shortfall of the post-Christian perspective. In that regard, the four

[236] Schwarzkopf comments on this paradoxical fear: "Academic scholars often have an innate aversion to theology. Most of them confuse theology with religion and do not differentiate between theological inquiry and religious ex cathedra teachings." Schwarzkopf, "Introduction," 2.
[237] See also Martinson, "Silence, Rupture, Theology."

contemporary theological texts analyzed in chapters three through six are but a sample set.

Devin Singh also notes the widespread tendency in contemporary theology to address economics from the perspective of a higher moral standing. In contrast to that tendency, he states:

> Yet what is needed, in my view, is more light on the realities to which such prescriptions seek to respond, greater self-reflexivity on their modes of response, and investigation of how their theological and ethical engagements may have already helped construct the circumstances against which they protest.[238]

As Singh points out, whereas the contrasts between the contemporary configurations of Christian theology and the market economy are there for anyone to see, the network of threads that connects them historically and structurally remain comparatively underexposed.

This study's third significance for academic theology is the meaning of the relationship between the two previously mentioned. Contemporary theology is always implicated in much more than theology, and, conversely, studies of secularization should have import in driving a concomitant theological self-reflection. Let us return to the quotation from Singh, and pick up his thread where I left it:

> I therefore seek to prioritize redescription and defer prescriptive remedies. This is not to pretend that redescription is somehow neutral, disinterested, or apolitical. It is, rather, to pursue both the immanent critique of theology and theology as immanent critique.[239]

I understand Singh to say several things here: first, a theological understanding of secularization becomes an immanent critique of a purportedly secular West because theological themes are immanent to the secular; and second, that means that the same movement is also an immanent critique of theology—particularly of forms of theology that wagers the critical potential on the distance to a corrupted worldly order, as though Christianity and the world were not interwoven. Precisely because the distance between the economic and the theological is far more traversed than is commonly granted by economists and theologians alike, the project of mapping the connecting paths becomes two-sided.

A post-Christian project is deeply theological in the most traditional sense since it engages the core theological loci, at the same time that it is deeply interdisciplinary because such theological loci are no longer exclusively theological. The increasingly widespread realization of the intimately theological

[238] Singh, *Divine Currency*, 10.
[239] Singh, *Divine Currency*, 10.

nature of secularization leads us to the interdisciplinary nature of the properly theological. To illuminate the complexity of the issues, I will make a brief excursion to a set of historical discussions that could and should become subject to further economic-theological research. I will also hint to an opening toward a theological critique of value.

We saw in chapter two that Olivi's significance for the development of value theory was long neglected, probably because his condemnation led subsequent thinkers to only cite him covertly. He is now rehabilitated as an economic thinker. But his significance as a theologian remains largely unnoticed, although he is occasionally recognized as one of the more radical theological criticizers of wealth in the history of Christianity. He and his followers go beyond the well-rehearsed Christian call to common ownership in the spirit of the account in Acts of the first Christian community. Olivi claims that also common ownership is an unworthy compromise with true evangelical perfection. If the apostles were perfect followers of Christ, and he thinks that they were, they could not have exercised any form of property rights, common or private.[240] It is time to approach the connection between this radical critique of wealth and his precocious theory of trade, as well as the issue of why Olivi was condemned and the influence the substance of his erring was to have on political thought.[241]

Olivi's condemnation was due to his emphasis on true discipleship as implying true poverty. To Olivi, this meant not only an individual's lack of privately-owned goods, but included church ownership and jurisdiction. That way, he questioned the temporal power of the church in its entirety. The theological connection between the analysis and critique of wealth and value in his thought, and the well-known relation between the Franciscan poverty ideal and political theory, is insufficiently researched. At least at first glance, however, these themes seem theologically connected; furthermore, in their different veins, they have had significant historical impact.

For theologians, what could be called the political-theological legacy of Olivi's disruptive theology is more well-known than the economic-theological legacy, although Olivi himself is rarely perceived as that important a theologian. The political-theological legacy was the subsequent development by the Spiritual Franciscans of a powerful critique of the exercise of papal power,

[240] See Peter Garnsey, "Peter Olivi on the Community of the First Christians at Jerusalem," in *Radical Voices and Practice: Essays in Honour of Cristopher Rowland*, ed. Zoë Bennet and David B. Gowler (Oxford: Oxford University Press, 2012), 35–50, DOI:10.1093/acprof:oso/9780199599776.003.0003.

[241] In what follows, I draw on the following discussions on the contestations around Olivi, William of Ockham, and the Spiritual Franciscans: Takashi Shogimen, "Academic Controversies," in Evans, *The Medieval Theologians*, 233–49; Matthew S. Kempshall, "Ecclesiology and Politics," in Evans, *The Medieval Theologians*, 303–33. I combine these accounts with my discussions of Olivi in chapter two, where I was mainly drawing on Odd Langholm and Joel Kaye. Combining the different perspectives on Olivi and his followers will shed new light on the importance of those medieval discussions for present-day academic theology.

and a redefinition of true apostolicity in terms of poverty. The highly influential theologian William of Ockham argued that God's perfection implies that God must be perfectly poor when incarnated. The material poverty and marginality of Jesus was not coincidental but due to his nature as God.[242] From this logic it follows that Jesus's disciples should be poor too—not only in terms of individual property rights, but as a community. The concept of property was interpreted in close connection to the question of jurisdiction, and so to the strife between the spiritual and worldly power—who could override the jurisdiction of the other, and under what conditions? To the Spiritual Franciscans, if the church was to be poor, then it should relinquish property and jurisdiction, and devote itself exclusively to a life of preaching and charity.

William's theological defense of the legitimacy of worldly rule was intimately linked to his understanding of *vita apostolica*, and it denied in effect, though not in principle, papal authority over worldly affairs. To William and his likes, worldly power was something qualitatively different from the spiritual pastoral rule. Worldly power, for these thinkers, concerned security and peace whereas spiritual power was thought of in terms of poverty, charity, and preaching. This qualitative distinction between political and religious community and their purpose and forms of rule clashed with the papal *plenitudo potestatis*. Importantly, in William's thought, the latter principle was never torn down—he acknowledged the pope's ultimate authority over temporal rulers, but only within the given parameters of the distinctions. Thus, William came to judge the Donation of Constantine as distracting the church from its true apostolic nature, leading it into the corruption of worldly affairs.[243]

To be clear about what is at stake in terms of political theology, let us have a look at the stance of the defenders of papal plenitude of power. James of Viterbo, for example, understood the church as the preeminent political community, the only community that could live up to the understanding of political community as defined by Aristotle—to not only live, but to live well. For

[242] For a discussion of William's argument in the context of the disputed lines between theology and canon law, see Takashi Shogimen, "The Relationship between Theology and Canon Law: Another Context of Political Thought in the Early Fourteenth Century," *Journal of the History of Ideas* 60, no. 3 (1999): 417–31, https://doi.org/10.2307/3654011. William's argument concerns not only what constitutes true apostolicity, or the relationship between temporal and spiritual power, but also a concrete struggle between juridical and theological elements in the institutional setting of the Church. In arguing for the necessity of the absolute poverty of the incarnated God, William, just as Olivi, still affirmed the theology of God's absolute power in terms of *potentia dei absoluta*. Kaye sees Olivi's and William's theology of God's power as their inability to realize the "potentially subversive recognition" that things may order or balance themselves. Kaye, *A History of Balance*, 6. On the contrary, I would argue that, considering the systemic mindset of both these Franciscans, their reflection on God's power is a crucial theological point to consider in subsequent analyses of the intersection of political, economic, and theological themes in their thought.

[243] The Donation of Constantine was the pseudo-edict by which Constantine transferred imperial privileges to the bishop of Rome—that is, the Pope. The edict in William's time was used as a way to defend the papal plenitude of power, but it was later shown to be a forgery.

James it was evident that the church had the best grasp of what a virtuous and truly political community would be. James's opponents, those who wanted to secure the *vita apostolica* of the church, agreed with his claims regarding the church's preeminence in virtue. Their countermove was to remove the issue of virtues from the political altogether. William safeguarded the legitimacy of the temporal powers by liberating them from the task of forming virtuous citizens. Until then, many scholastic theologians, including Thomas Aquinas, had taken their understanding of the political from Aristotle. William instead derived inspiration from Augustine's less optimistic understanding of political reality after the Fall, and pragmatically delimited the political to granting material security and peace.

The consequence of William's delimitation of the scope of the political was that theological normativity should not interfere with the rule of kings and emperors. It was not only the forms of power in the temporal and the spiritual that differed, but the role and purpose of exercising them. In relation to this complex of differentiation in the forms of rule, William grants personal freedom. If the church, preoccupied with the highest form of virtues, does not make laws, and the temporal rulers who do make laws do not concern themselves with virtue, then a certain space of freedom is established for the human being that is subject to both those principles. Coercion can be applied to a subject, but not in terms of faith, hope, and charity. This same idea is echoed in Smith: justice can be coerced, benevolence cannot.

This dramatic conflict in the history of Christianity derived some of the critical components from Olivi and his insistence that the apostolic life was inimical to any form of worldly power or ownership—the same Olivi who recognized the role of utility and scarcity in the determination of value. Let me end this excursion to the dense theological-political-economic conflicts that Olivi's thought helped ignite with a reading of his commentary on Philippians 2:5: "let this mind be in you which was also in Christ Jesus."[244] Here in a nutshell is Olivi's idea of the *vita apostolica* as a way of imitating the perfection of Christ—including his poverty.

Olivi begins by asking his reader to consider what it would be like to see a stranger suffer, when being hanged. This is not enough for one to "have" the mind of Christ "in" oneself, since watching a stranger suffer does not go to the core of one's being. Suppose instead that "someone most dear to you suffers a grave injury. You would experience an unbearable blow to your soul. [. . .] It touches you, and you touch it. This is what it means when the text says: 'Experience.'" (3)[245] The reader is to make Christ's mindset as intimately felt

[244] Olivi's Latin text is titled *Tractatus de Septem Sentimentis Christi Iesu*. I use the following edition and translation: *Peter of John Olivi: Spiritual Warfare and Six Other Spiritual Writings*, trans. Robert J. Karris (New York: Franciscan Institute Publications, 2012), ProQuest Ebook Central. In what follows, I will refer to the text by article numbers in parenthesis.
[245] Karris translates the Latin *hoc sentite* with "have this mind," and comments on Olivi's shifting use of the verb *sentire* and the noun *sentimentum,* which Karris renders by the two English

and personally formative as when one watches a loved person suffer or even die. After these introductory reflections, the commentary circles seven aspects of Christ's mind, sometimes called virtues, sometimes sentiments: ineffable emptiness or humility, compassion, gentleness, patience, suffering, poverty, and love. They are commented on separately in a manner that makes their interrelated character clear, but let us focus on the sixth: poverty. To begin with, poverty is a concrete state, material as well as social:

> Sixth is the abyss of the highest poverty since he didn't have a scrap of clothing to cover his body or at least part of his body. He was denied what any criminal was given. Nor was he offered a drop of water in his most severe thirst after enduring such great torments. Everyone abandoned him. (13)

The highest poverty is to have nothing. But this heightened and perfected poverty becomes its opposite; Christ is not bereft of all riches but freed from attachment to them. His perfection of poverty is no mere lack: it elevates him above all. This is "the highest poverty which tramples down earthly matters and places human beings in heaven as lords of all things [. . .]." (37) Olivi combines in the concept of the highest poverty that ultimate loss of all power and all esteem with lifting the human being to heaven; he sees a connection between being bereft of everything and being the lord of all things.

The seven virtues are connected, and if one is to live the life of perfection, one has to admire and strive for each of these seven virtues. That means that which distracts from the seven virtues must be driven out: "If you are to have the mind 'in you which was also in Christ Jesus,' then in no way must you have the mind 'in you' which is in the supreme enemy of Christ Jesus." (57) Each of the seven virtues has its corollary vice. The negative of poverty that is in the mind of this supreme enemy of Christ is as follows: "Sixth is it not the pit of cupidity and avarice that he does all these things out of self-love and earthly glory?" (63)

From this commentary, it seems as though Olivi retained the patristic condemnation of the market order, driven as it is by the desire to make gains, and resting upon the premise of property rights. Whereas Eusebius in his theological legitimation of the emperor turned the patristic critique of market value into an internal stance in Constantine, the Spiritual Franciscans were convinced that evangelic perfection was inimical to any form of property or worldly power. It might seem a contradiction that the most radical criticic of wealth also conceived the self-balancing market. But here we may learn from the well-researched theological motives of the political thought of Olivi's follower William. In order to liberate the church from the un-apostolic exercise of power, William had to establish the legitimacy of worldly political rule un-

terms "mind" and "experience," depending on context. See footnote 88 in Olivi, *Spiritual Warfare*.

der the conditions of sin—arguably, what Olivi did may have been the corresponding move for the worldly market order. Precisely because of a radicalization of the poverty vow, Olivi had to disentangle the apostolic life from the life of the world. Furthermore, the "economic" was not yet conceived of as separate from political authority. Seen in that light, the respective argument comes down to one and the same movement. In both cases, the theological object was to safeguard the *vita apostolica* as distinct from the order of the world. Olivi and William for theological reasons both initiated a divestment of theology in wealth and power, handing wealth and power over to what we would call secular powers. God's perfection excludes wealth and worldly power.

My argument can be read as an inverted confirmation of John Milbank's claim that secular forms of rule grew out of Christian theology itself, so the secular constitutes a heretical form of Christianity. Long is one proponent of such an argument. I share with them the identification of this historical moment as pivotal to subsequent theoretical developments. But their normative categorization displays a vacuity of analytical content. One can easily take the perspective of Olivi and William, and describe the same historical moment as the turning point when the church's heretical infatuation with wealth and power began to recede under the pressure of truly Christian readings of the gospels. But that too would be an analysis of little content. With analytical content, I mean a substantial and careful theological analysis of the different arguments and nuances at stake, and their relations to the material and political reality in which they were contrived; an analysis that follows thoughts of times past and present to their end. Only after such a careful analysis can the respective arguments be tried in relation to a constructive aim.

One of the fascinating aspects of the medieval debates is that in the midst of arguments that from our perspective are primordially secular, one can discern a thoroughly theological critique of value, might, and wealth, at the moment of the subjective value theory's inception. I have argued that we need a critique of value. Inspiration may be derived from these early value theorists, and lessons learned. If perfect charity coincides with perfect poverty, it means that love or true community is not a Christian value, and it cannot guide market agency; charity is the antithesis of value. Market agency requires the possession of wealth, and to possess wealth is the antithesis of Christian perfection.

Historians of economic thought have detected an early value theory in scholastic thought, but not analyzed it theologically. Theologians have detected the same instance as a radical theological critique of wealth and the power of the church, motivating an early secularization of the political. Surely, the two trains of thought in the same persons are related. But in what way? And what about the counterarguments? If the defenders of papal *plenitudo potestatis* argued that the church was the preeminent political community because it embodied the capacity to perfect virtues, was the church also the preeminent economic community?[246] What were their thoughts on the market structure?

Contemporary theology should reclaim the problem of value as a theological problem, with explicit attention paid to the contradiction and connection between the two semantic fields of value: the metric value (1) and the normative value (2). What is the relationship between that which ultimately concerns us, which Paul Tillich defined as the subject matter of theology, and the market's measure of the relationship between desire and scarcity? Both desire and scarcity are themes saturated with theological import, and thus not even value (1) is theologically innocent.

It is no coincidence that some things are called invaluable. Those things are too important to be subjected to evaluation. During the course of this study, I have come to respect the accomplishments of the market economy, the order of value. It is a marvelous machinery. But it is unforgivable for a social order to neglect the poor and listen only to the rich. And it is positively pernicious for a social order to neglect the signs of oceans, honeybees, and forests. Such signs cannot express valuations, nor can the phenomena be valued. They are truly market externalities. But that may be a clue. They are outside the order of value. This clue is also present in Samuelson and Nordhaus's remark that natural environments, such as Yellowstone National Park, are irreplaceable. Losing Yellowstone for a gold mine, however lucrative that mine may be, is to fail to see the reality behind the veil of money. Or, as I would argue, to exchange that which is priceless for wealth is to fail to see other realities behind the veil of value. We need to begin to realize the significance of the invaluable.

[246] This would be Agamben's argument, but in relation to early Christian self-understanding. "The implications for the history Western politics of the fact that the messianic community is represented from the beginning in terms of an *oikonomia*—not in terms of a politics—have yet to be appreciated." Agamben, *The Kingdom and the Glory*, 25. See also Nicholas Heron's argument for the "economic" as a Christian form of politics in *Liturgical Power*. However, both accept the Aristotelian distinction between *polis* and *oikonomia*, against which a certain strand of Christian self-interpretations is read. Of interest to me is the difficulty of this Aristotelian distinction itself. Furthermore, I would be interested in pursuing the complications that arise in how the Aristotelian conception of the *polis* has been used to argue for a sovereignty *par excellence* in the medieval concept of papal plenitude of power.

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