

God and Economic Suffering

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Abstract: Modern reformism wants to abolish suffering by redefining it as lack of commodities, so that the solution to any problems is more resources. Its naivety about evil, deformed account of scarcity, and false hopes undermine both our understanding of suffering and action against it.

The Need for an Economic Theodicy

Economic suffering is pervasive. The global financial crisis has left previously comfortable Americans jobless and homeless, and banks and even governments across the world shaky. More perhaps is to come. Worse suffering has of course been a daily reality for millions outside the developed world for far longer without attracting the same press attention

How we think about economic suffering matters for our actions, both as individually and through policy processes. Is poverty natural and hence inevitable? Or an inevitable consequence of modern market arrangements? Where then is individual responsibility for economic choices? Our answers to these sorts of questions determine how much effort we put into alleviating economic suffering and how this effort is directed.

Philosophers and theologians have written a great deal on the problem of suffering, or the problem of evil as it becomes when suffering flows from human moral choices. When a God who is supposed to be both powerful and good is involved we have the problem of theodicy; or the problem of justifying the ways of God to human beings. According to David Hume's challenge in the *Dialogues on Natural Religion* (written in the 1750s, published 1779) "Is he willing to prevent evil, but not able? then he is impotent. Is he able, but not willing? then he is malevolent. Is he both able and willing? whence then is evil?" Answering Hume and many sensitive religious and non-religious thinkers who have asked similar questions is the task of theodicy. Some have refused the question because they regard any answer as morally offensive, even blasphemous, some refuse because of a concern that theodicies undermine the struggle to improve the world, or sometimes because the task of constructing a theodicy is considered futile.

One response to Hume's question is to point out some greater good that is made possible by the existence of suffering. Free will for instance – the argument that a world where humans make bad choices is better than a world with no choice. A variation is that earthly life is a trial for the future life, with suffering is a necessary aspect of trial, justified by the overwhelming good of the future life. Perhaps the most famous argument is Leibniz' *Theodicy* 1710 which concludes our world with all the suffering and evil it contains is indeed the best of possible worlds. Such theodicies arose in the 17th and 18th centuries in response to the criticisms of the older tradition flowing from Augustine that held evil to be the lack of a good that should be found, a tradition which denies evil an existence independent of the good it is parasitic on, and emphasises the powerlessness of evil in the face of God's purposes.

We lack specifically economic theodicies. Philosophical and theological reflection on economic suffering and evil is not as well developed as for other types of suffering. One of the difficulties in a complex global market economy is connecting suffering to human choices, connections which are essential to certain types of theodicies. The suffering of an African family unable to afford sufficient food for sustenance flows from market prices for food and for their labour. Market prices are determined by the actions of millions of others across the world with a complexity that destroys the connections of foreseeability and intention to the results for the African family. The institutions of market economy tend to ethically insulate human choices from their results, despite the undeniable dependence of results on aggregate choices.

Another reason for the lack of economic theodicies is historical. Economics (or political economy as it was originally known) took shape a discipline in the early 19th century, following some key 18th century contributions. This was much later than most of the other sciences such as astronomy, chemistry or biology. Economics is arguably less developed than other sciences - even ignoring Marx's accusation that economics is merely ideological cover for the greed of the powerful, or contemporary quips that the function of economists is to make weather forecasters look good.

The most important historical reason is a narrowness of the window when economists and theologians were in deep and healthy conversation; the period from the beginnings of political economy in the 18th century until the middle of 19th century when economics and theology in Britain parted ways. This is the period we might expect to find economic theodicies.

TR Malthus

The best known theodicy of economic life is Robert Malthus', set out in two chapters of the first edition of his *Essay on the Principle of Population* 1798. Malthus is credited by the eminent historian of economics Donald Winch as being the co-founder with Adam Smith of the discipline of political economy in Britain, though Malthus actually wrote to refute the perfectibilist ideas of William Godwin and Condorcet. In the process of refuting these writers he developed a model where population tends to grow more rapidly than the food supply, which is limited by diminishing returns to employing additional labor in agriculture, with any discrepancy between population growth and the food supply corrected by the checks of vice and misery (including starvation, venereal disease, war). Among other things this suggested that more generous support of the poor would increase population without increasing the food supply, increasing vice and misery needed to correct the discrepancy, rather than improving life for the poor. In the second edition of the *Essay* published in 1803, Malthus added an additional check, moral restraint (essentially delaying marriage until a

family could be supported) as an alternative check to vice and misery which could restrain population growth. This addition was important because it connected suffering with human moral choices.

Like most of the early economists, Malthus had a theological training and realised his principle of population cast a shadow over the goodness and power of God. How could divine creation and providential care be reconciled to an economic mechanism in which vice and misery were essential components? Adding the check of moral restraint in the second edition of the *Essay* softened the harsh implications of the theory, so human culpability in marrying before being able to support a family took some of the heat from God.

Malthus in the first edition of the *Essay* rejected the ‘state of trial’ theodicies of fellow natural theologians Butler and Paley. Instead Malthus argued that earthly suffering is necessary as a spur to the development of the human mind. In his words it is needed “to create exertion, and exertion seems evidently necessary to create mind” for he sees “this world and this life as a mighty process of God, not for trial, but for the creation and formation of mind, a process necessary to awaken inert, chaotic matter into spirit”. While the principle of population “undoubtedly produces much partial evil ... it produces an overbalance of good” and that there is “no more evil in the world than is absolutely necessary”.

However this view of original sin as inertness of mind or “torpor” rather than a culpable rejection of divine government, and the suggestion that it was remediable through human activity, seemed to contradict the Anglican Thirty Nine Articles of Religion, and Malthus was persuaded by friends to drop these theodicy chapters from subsequent editions of the *Essay*. Such a ‘growth of mind’ theodicy, though, has respectable roots in the Christian tradition, for instance in the writings of Irenaeus, revived in recent times by the theologian John Hick in his *Evil and the God of Love*.

Editions of the *Essay* from 1803 and Malthus’ 1830 *Summary View of the Principle of Population* reverted to a conventional ‘state of trial’ theodicy drawing on his introduction of the additional check of moral restraint. As he wrote in the *Summary View* “this world as a state of moral discipline and probation” and “upheavals arising from the principle of population are exactly the same kind as the evils arising from the excessive irregular gratification of the human passions in general, and may equally be avoided by moral restraint”. He does not completely abandon his earlier view that the principle of population develops human beings through a variety of “situations and exertions”. While Malthus felt “the ways of God to man with regard to this great law [the principle of population] are completely vindicated” not all his contemporaries were convinced.

Other 19th century theologian-economists such as JB Sumner, Edward Copleston, Richard Whately and Thomas Chalmers followed Malthus in developing economic theodicies (As discussed in Anthony Waterman's *Revolution, Economics and Religion: Christian Political Economy* CUP 1991). It was not just the principle of population that created difficulties; the principle was part of a growing body of economic evidence and theory that raised similar questions about divine goodness and power.

One who was not convinced by these economic theodicies was William Whewell whose important research in political economy was accompanied by “oppressive and disquieting thoughts” about “belief and trust in God’s goodness”, thoughts which he observed were widespread among his contemporaries. Such thoughts contributed to the breakup of the early 19th century alliance between Christian theology and political economy.

Adam Smith

Although Smith’s 18th century Scotland had no shortage of suffering, the economic outlook was optimistic, certainly more so than Malthus situation of war and shortages during the last years of the 18th century and the early years of the 19th century.

As recent scholarship has been making clearer Adam Smith’s thought was shaped by his theological background – especially Calvinism in its moderate Scottish Enlightenment form, and the British tradition of scientific natural theology exemplified by his scientific hero Isaac Newton (Paul Oslington ed *Adam Smith as Theologian* Routledge 2011). Smith signed the Westminster Confession of Faith and lectured on natural theology at the University of Glasgow in the 1750s, though it is a pity that the student lecture notes which have subsequently come to light do not include the natural theology lectures. Natural theology and the doctrine of providence are especially prominent in his *Theory of Moral Sentiments* 1759, and the *Wealth of Nations* 1776 can be read as Smith working out the doctrine of providence in the economic realm, in the same way as Scottish contemporaries were in the realm of history, and Newton and others had done in the natural world. Theodicies usually went with this type of natural theology so it would be reasonable to expect one from Smith.

There are intriguing connections between Smith and David Hume, the philosopher who put the problem of theodicy most sharply. Hume was no slouch as an economist, with his critique of mercantilism in *Political Essays* important for Smith, and work on monetary theory still influential

today. They became good friends, to the extent that Smith was entrusted with the publication of Hume's *Dialogues on Natural Religion*, though eventually Smith withdrew from this commitment and others oversaw their posthumous publication. Reasons for Smith's withdrawal are debated, but a fear of public association with Hume can be ruled out for he wrote an appreciative postscript to Hume's *My Own Life* which he says brought upon him "ten times more abuse than the very violent attack on the whole commercial system of Great Britain". Smith though his extensive reading, European travels, and discussions with Hume was probably aware the contemporary discussions of theodicy, including Leibniz' work. Smith also admired and had contact with Voltaire, so may have been aware of the lines of attack on 'best of possible worlds' theodicies to be made in Voltaire's *Candide* 1759, following the disastrous Lisbon earthquake of 1755. It cannot be a coincidence that an earthquake is the example of natural catastrophe Smith uses when discussing human response to suffering.

So what does Smith have to say about God's purposes? He certainly affirms the doctrines of creation and providence, and the power and goodness of God which are essential components of the problem of evil as formulated by Hume. Two examples from his *Theory of Moral Sentiments* 1759:

"the idea of that divine Being, whose benevolence and wisdom have from all eternity, contrived and constructed the immense machine of the universe, so at all times to produce the greatest quantity of happiness, is certainly of all the objects of human contemplation by far the most sublime" and "the happiness of mankind, as well as all other rational creatures, seems to have been the original purpose intended by the author of nature, when he brought them into existence. ... By acting according to the dictates of our moral faculties, we necessarily pursue the most effectual means for promoting the happiness of mankind, and may therefore be said, in some sense, to co-operate with the Deity, and to advance as far as in our power the plan of Providence".

Smith seeks to place evil in God's government of the universe for our good:

"every part of nature, when attentively surveyed, equally demonstrates the providential care of its Author, and we may admire the wisdom and goodness of God even in the weakness and folly of man" and

"this benevolent and all-wise Being can admit into the system of his government, no partial evil which is not necessary for the universal good"

There is nothing in Smith's works like the explicit theodicy we get in the first edition of Malthus *Essay* but nevertheless a reasonably full and consistent treatment of suffering and evil. Smith's work abounds with discussion of human imperfections, especially those of merchants and rulers. And of course the shortcomings of Roman Catholic clergy – discussion which was guaranteed to be well

received in 18th century Presbyterian Scotland. Not that Smith sees these groups as any worse morally than others. All share a fallen human nature but these groups are exposed to greater temptation and less effective restraints on behaviour.

It is not always easy to place an author on the grid of philosophical theodicies, but I would resist placing Smith among the upholders of a naïve ‘best of all possible worlds’ theodicies (represented more Alexander Pope more than Leibniz), as has been the tendency in existing commentary on his approach to suffering (for instance Jacob Viner). There is certainly ample evidence that Smith believes the universe to be a system directed towards human good, but no trace whatsoever of comparisons with other possible worlds. It is also hard to imagine a friend of Hume and Voltaire holding such a position.

If Smith is to be placed anywhere perhaps it should be with the older privation theorists of evil. The strength of this Augustinian tradition in Smith’s Calvinist Scotland and the attachment of his friend Hume to similar ideas make such a placement of Smith historically plausible.

In Smith’s work, including the quotations above, evil is not prominent, never an independent force, and never strong enough to threaten God’s purposes. It is often qualified as a “partial evil”. There are numerous examples of how human failings contribute to the achievement of God purposes or the “prosperity of the universe” in the above quotation. For instance our vain desire to possess “trinkets and baubles” promotes industry even though such things are ultimately unsatisfying - a trick of providence as Smith describes it. Or the way our desire for the good opinion of spectators clarifies and enforces morality. The veil of human ignorance about consequences sometimes helps us pursue the best course of economic action. He criticises the dangerous conceit of “man of system” – the reformer who claims to know all connections and arrange things ideally – usurping place of God. We may indeed as Smith says “admire the wisdom of God even in the weakness and folly of man”

For a privation theory of evil to be coherent there has to be teleology which informs us about the goods that should be found. Alasdair MacIntyre’s view that Smith is a turning point in the banishment of teleology from Western thought is difficult to sustain. Instead Smith’s analysis of commercial society in the *Wealth of Nations* is set in the framework of the evolution of society through stages, each with distinctive institutions and scientific understanding. His teleological virtue ethics is developed in the *Theory of Moral Sentiments*. The future hope has an important place in his system. Scholars such as Gloria Vivenza in her *Adam Smith and the Classics* are retrieving the Aristotelian elements of Smith’s thought, after being put off the trail for many years by the rude things Smith has to say about the degenerate Aristotelianism of his idle and bottle-loving Oxford teachers.

Smith's ameliorative approach to economic suffering is consistent with a privation theory of evil. He describes and endorses human attempts at "bettering our condition" and the whole burden of the *Wealth of Nations* is to improve the functioning of economic systems so that all people can enjoy the goods of freedom and prosperity. We join with God as free individuals, conscious of our own limitations and imperfect knowledge, in realising these goods.

By the way, this refusal to be resigned to suffering and evil, and concern for amelioration is evidence against the popular view that Smith's system is Stoic. Reading Smith as a Stoic (as many earlier commentators such as DD Raphael and Alec Macfie have done) is understandable given his youthful interests and the entwinement of the Stoic and Augustinian traditions in the early modern period – but Smith's conclusion is emphatic: "The plan and system which Nature has sketched out for our conduct, seems to be altogether different from that of the Stoical philosophy."

In summary I am suggesting Smith has elements of a different type of Augustinian theodicy to that proposed by Anthony Waterman ("Economics as Theology: Adam Smith's *Wealth of Nations*." *Southern Economic Journal* 2002). Waterman argued that Smith's idea in the *Wealth of Nations* 1776 that self-interested individual action in the context of appropriate market institutions generates good outcomes for society may be read as Augustinian theodicy of markets, without any claim by Waterman that Smith intended such a theodicy. The idea is that just as in *City of God* government is providentially instituted for the benefit of sinful humans, so are market institutions. What I am suggesting is that Smith had another (though not necessarily opposed) Augustinian approach to theodicy stemming from a privation theory of evil.

Contemporary Economics

What of contemporary economics? After the separation of economics from theology in mid-19th century Britain economists no longer felt any need to construct theodicies. From that time theologians lost connection with mainstream economics and fewer and fewer had had the expertise to follow developments in the discipline. Today the interest among professional economists and theologians in such engagement is minimal, even though economics is arguably as important in contemporary culture as the physical and biological sciences where there are examples of deep theological engagement.

We therefore need to reconstruct the implicit position of contemporary economics on suffering and evil.

Scarcity has been central to economics since the rise in the early 20th century of theories of choice where consumers maximise on non-satiable preferences for commodities subject to commodity price and income constraints, and theories of production based on finite resources and finite technologies that transform resources into commodities. Lionel Robbins famous 1932 definition of economics as a science that deals with the relationship between limited means and unlimited ends expresses the centrality of a particular view of scarcity to contemporary economics.

Since teleological ways of thinking have been banished (if not by Smith in the 18th century, then by others in the 19th and 20th centuries) most economists believe it is not their business to think about human nature or ends. Scarcity has ceased to be defined in terms of goods needed for human flourishing, but in terms of consumer preferences which are infinite and hence never able to be satisfied. Since preferences defined over commodities, plus prices and income, contain all the information the model of choice requires, any wider discussion of goods appropriate to human nature or of human ends is ruled out. More resources is the only, although ultimately vain, way of dealing with scarcity in the attenuated ethical framework of contemporary economics.

Besides human nature and ends, another thing banished from contemporary economic discussion is evil. There is nothing except the rationality humans deploy in maximising over preferences, no twistedness of the will, so self destructive urges, or Augustinian loves either. Despite recent work in behavioural economics (for instance by Nobel Laureate Daniel Kahneman) identifying failures of rationality it has not led so far to much discussion of the fallen human will or evil.

This combination of the centrality of a deformed concept of scarcity, and the neglect of evil mean contemporary economics has a very different view of suffering to Malthus or Adam Smith. Suffering is both trivialized by the neglect of evil and made an insoluble problem by the deformed view of scarcity. Hence the endless striving and reformist projects of modern culture dominated by economics. Hence also the naivety of these reformist projects, and their wreckage that we see everywhere.

Even though certainly not the last word of the subject, the economic theodicies we have considered support healthier attitudes and actions towards economic suffering. While Malthus criticised the unrealistic reformist projects of Godwin and Condorcet, and unwise policies for poor relief in 19th century England, he did not rule out better grounded attempts to improve human society. As he wrote in the 2nd edition of the *Essay* in response to criticisms of the principle of population, it “by no means precludes that gradual and progressive improvement in human satiety, which, before the late

wild speculations on this subject, was the object of rational expectation” and “hoped that the general result of the inquiry is such, as not to make us give up the improvement of human society in despair”. Similarly Adam Smith in the *Wealth of Nations* conceived political economy as “a branch of the science of a statesman or legislator” devoted to the enrichment and improvement of human society. There can be no argument about the fruitfulness of their work in political economy for improving conditions for the poor in Britain and elsewhere. One of the 19th century archbishops of Canterbury, JB Sumner, who was familiar with political economy, even suggested the growth of the new discipline of political economy reflected divine providence.

Finally, lest this essay be read as another theologians rant about contemporary economics (of which there have been an excess supply many since the middle of the nineteenth century, when theologians lost much of their cultural authority to economists), we need to recognise that economics as a technical discipline can contribute to the formulation of adequate theodicies. Much progress has been made since Smith and Malthus in understanding the way market systems operate and the connections between economic actions and their effects. For philosophers and theologians who favour ‘free will’ theodicies, an account such connections is an essential ingredient of a contemporary economic theodicy. For those who favour ‘best of possible worlds’ theodicies it is crucial to identify what if any economic phenomena are separable from the larger system. Privation theorists particularly need the results of the revival of interest in Aristotelian/Thomistic teleological versions of economics, represented by the work of economists such as Mary Hirschfeld and Andrew Yuengert. Perhaps philosophers and theologians can even use economic theodicies as a model for constructing theodicies of other large-scale impersonal systems that generate suffering.

We need a richer understanding of economic suffering and evil, and a renewal of the discussion of economic theodicy initiated by Malthus, Smith and other early economists.

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