

As it now appears, growth is one thing and development quite another

Religion and Economics

BY JAMES FINN

The sorrows and hopes of our time undoubtedly stem from material causes, economic and technical factors which play an essential role in the course of human history, but even more profoundly they stem from the ideas, the drama in which the spirit is involved, the invisible forces which arise and develop in our minds and hearts.

— Jacques Maritain

It is imperative in our times to review and reconsider the relationships between religion and economics. On both the popular and the scholarly level, our understanding lags behind our perception of the significance of religion in a socially, politically, and economically complex world, and of changes in the relationship between religion and economics.

On the popular level, it is not unusual to find editorials in leading newspapers praising religion but consigning it to the private, personal realm, while news stories in the same issues report the important, occasionally startling role religion has had in some current event. Perceived as politically and economically irrelevant, religion is frequently shunted aside while attention is focused on the admittedly major political and economic actors. But in recent years and months a number of events have revealed the inadequacy of such an approach. The revolution in Iran, which took most of the world by surprise, not only forced people to ask about the role of Islam in the Revolution, but to ponder its role in whatever political and economic paths Iran will take in the future. In Poland the Catholic Church is a powerful force as the Polish workers unite in solidarity against entrenched policies of government, and their opposition is strengthened by the presence of a Polish pope. In Latin America that same church is intensely involved in the struggles for social and economic rights. In Africa insurgents appeal to and obtain economic aid from worldwide Christian communities, including the World Council of Churches. All the candidates in the election that established black rule in Zimbabwe were Christians. Traditional Hindu values have been invoked and criticized by leading statesmen and politicians in India when they speak of needed economic changes. And in the politics of Sri Lanka and Southeast Asia, Buddhism plays a notable role.

In various countries not only the religious majorities

but religious minorities play key roles in international, commercial, and political ventures. The Christian banking community in Lebanon, the Chinese in Southeast Asia, Hindus in Africa and the Caribbean are important beyond their numbers and often influence the economic policies of the countries in which they reside. These, of course, are all obvious examples to which others could be added.

Less obvious, however, are the manifold ways in which those religions create and sustain values in terms of which people actually make their decisions and shape their lives.

One of the pioneers in the effort to assess the impact of religion on the social and economic values of different cultures, including those of India, China, and the Protestant West, was Max Weber. Although recent scholarship has treated a number of his specific contributions with less than complete sympathy, his subtle and complex work remains a central reference point. The framework he established provides questions that are still pertinent. Was there, he asked, a connection between the rise of capitalism in the West and religion? If so, what was that connection? What were the conditions during this particular historical period that allowed or encouraged this new form of economic development to take place?

Economic conditions, taken by themselves, could not account for this extraordinary expansion of growth. Weber located some of the noneconomic conditions in the particular qualities of Calvinism—thrift, orderliness, prudence, hard work—qualities that were required by this new pattern of economic behavior. Some critics of Weber have attempted to turn his theory on its head, finding in the development of capitalism elements that placed a high value on certain human attitudes and forms of behavior, which, in turn, helped shape the Protestant ethic that responded to these values. Other social analysts have asserted that there is a strong relationship between a religious ethic and capitalism but that the influences are reciprocal.

The study of the relationship between religion and economics has thus continued to focus on a number of concerns that were central to Weber's thesis, and some contemporary debates were prefigured, if underdeveloped, in the earlier discussions. Since the end of World War II (to short-circuit decades of scholarship and experimentation) there have been various attempts not only to understand better the forces behind religion and

economic growth, but also to extend the benefits of economic growth to those countries that, during the '60s, were commonly referred to as underdeveloped. Among the experts who worked in this field there were a significant number who assumed a rough correlation between economic growth and development—that is, if an underdeveloped country could increase its per capita gross national product, it would be on the road to self-sustaining development. Western technical experts in particular favored models that introduced modern technology, industrialism, rationalized work procedures, and the values of individualism and entrepreneurship. Some analysts were content to focus on the economic aspects of these matters, assuming that other aspects, however interesting, were dependent variables that would, in due course, align themselves with the new economic processes. And the path of development was expected to be the one that was historically marked out by the Western countries.

This narrow approach was never satisfactory to all the experts, and in his three-volume study on poverty, *Asian Drama*, Gunnar Myrdal expressed a number of reservations that, to a greater or lesser degree, many others shared or would come to. He said that he initiated his study with the firm conviction that economic problems could not be studied profitably in abstraction from the social, political, and demographic setting in which they are located. Only a broad, institutional approach, he felt, would allow him to understand the economic underdevelopment as well as what there was of economic development in the region. He also felt that to apply to South Asia theories and concepts that derived from and were appropriate to Western societies was to introduce a distorting bias into the studies. That is, general propositions derived from the study of particular countries at particular times cannot readily be universalized and applied to other cultures, other countries, other times.

Like a number of other "experts in development," Myrdal concluded that he knew "of no instance in present-day South Asia where religion has induced social change." And again, "By characterizing popular religion as a force of inertia and irrationality that sanctifies the whole system of life and work, attitudes and institutions, we are, in fact, stressing an important aspect of underdevelopment, namely, the resistance of that system to planned induced changes along the lines of the modernization ideals."

Views such as these are still current and strong. For a number of people who hold them it follows quite naturally that those attitudes, beliefs, customs, and institutions that are obstacles to the desirable goals of economic growth and modernization should be overcome—destroyed, if necessary. But since the resistance to change is profound, the success of this model depends upon a forceful imposition from above. It would be unrealistic to expect that it could be implemented democratically. Short of the imposition of measures appropriate to such a model—not always a realistic prospect—it might still be possible to encourage the privatization of religion, to limit or exclude the participation of religion and the sacred from social decision-making. In brief, society could and should be secularized.

THE REVOLT

Development models based on these diverse assumptions have been employed for years in different areas of the world with varying degrees of success when success is measured in terms of GNP or per capita GNP. For a number of reasons, however, there has been a growing disenchantment with dominant development models and concepts. It is not because noticeable—in some instances, remarkable—improvements have not been realized in the decades since World War II. But unease and dissatisfaction with methods and results are extensive; a reevaluation is underway.

It is possible to list, without attempting to mediate, some of the central points of concern. The concept that growth defined as increase in per capita GNP is in itself a sufficient or even desirable goal is being critically assessed. Although some development economists still equate growth with development, others question it on various grounds. First, it is possible for a country to achieve remarkable growth but in such a way that the increase is unevenly distributed: The gap between the rich and the poor increases, the poor sometimes falling back not only in relative but in absolute terms. According to this view, the equation between growth and development must be broken. The concept of growth should be limited to the increase of GNP. It can be measured with a fair degree of accuracy. Development, however, is an evaluative term suggesting criteria by which growth can be judged as more or less desirable, helpful.

In different parts of the world, and for different reasons, secularization is being challenged

Another criticism of the view that growth equals development has been couched in terms that support a rejection of development itself. In 1967, Pope Paul VI issued an encyclical that said that "Development is the new name for peace." Enthusiastically adopted for some years, particularly by many Latin Americans, it later came under attack and was rephrased to read "Development is the new name for exploitation." The charge was that the "development" that took place in Latin American countries was growth that did not benefit the people of Latin America. Again, however, what was being criticized was a kind of growth that was judged unbeneficial. What was being demanded was change in accordance with certain standards.

A concept closely associated with economic growth and one now subjected to critical evaluation is that of modernization. Marked economic growth today is usually dependent upon technology and the rationalized procedures it necessitates. These are powerful forces and, when introduced into a developing country, have a powerful, disturbing effect on the culture of that country, on its institutions and traditions. Old patterns of life are shaken, new patterns are encouraged. For some time this process was generally regarded as both desirable and irreversible. For a variety of historical reasons both of these assumptions are being reexamined. Modernization is now being regarded as a mixed package, some elements of which are more valuable than others. The question is what elements particular societies value and whether they obtain these without the others. In the early '80s this question is pertinent to societies as different as Iran and Poland. Religious leaders in Iran have insisted, for example, that they are not opposed to "genuine modernization" but only to the uncritical acceptance of measures that erode their own religious, moral, and cultural values. The assumed irreversibility of modernization, with the many complex factors involved in that process, is also challenged. The present emphasis upon limits and the calls for zero growth run counter to plans and expectations that long fueled development and modernization efforts. The resistance is sufficiently extensive to have been labeled a "revolt against modernity."

Still another related concept is secularization. Myrdal, in the work cited previously, said that important research could be done on "whether, to what extent, and how fast, secularization is diminishing the force of this source [religion] of social inertia and irrationality, as a result of the spread of the modernization ideals and planning and other social economic changes." This suggestion is couched in the cautious terms of a careful scholar. Others, less cautious, have assumed that secularization was a desirable and likely, if not inevitable, corollary of modernization planning. This group includes Christians who have observed that secularization had increased the measure of religious liberty in the West and favored its extension to other areas of the world. Now, however, in different parts of the world, and for various reasons, secularization is being challenged. In Latin America, for example, religion has become a support and unifying force for those who are struggling against what they see as forces of oppression. For the people involved in this struggle, religion — not secularization — is the liberating force.

ACCOMMODATIONS

All of these reservations, reviews, criticisms, reevaluations do not, of course, add up to a coherent, unified view. They *do* indicate that the deficiencies of past and present patterns of economic change are forcing people to look in different and new ways at the relation of economics to religion and cultural values. Robert Bellah, a sociologist who has deeply studied these questions, has conjectured that even those who are critical of the overwhelming dominance of modern technical culture are themselves sufficiently in thrall that they find it difficult to hear what traditional religious wis-

dom might tell us about our present condition. What traditional religions have in common, he suggests, is a general skepticism that modern ideology will provide an adequate response to that condition. "The traditional religions, however variously they may express it, hold forth an ideal of human fulfillment, both personal and interpersonal, that goes far beyond the search for wealth and power, comfort and control, because it promises to bring human life into some kind of harmony with the Holy or the Good that...transcends it."

Some theorists of development have attempted to be more specific about what such an insight, pressed into service, might yield. One evolving position is that every freely functioning society operates from a moral base; that is, the society has a generally accepted set of standards and norms which provide criteria and guidance for both individual and collective acts. Economic growth and development that run counter to or are indifferent to this moral base will, in time, founder and provoke contradictory impulses in the society. Those economic plans and activities that are sensitive to and take sympathetic account of this moral base, these societal norms, are most likely to have long-range possibilities of success.

In most parts of the world societal norms will not be comprehended apart from the dominant religions of the region. One of the most eloquent spokesmen for this view is the Indonesian philosopher Soedjatmoko. He has said: "The religio-cultural substratum in which prevailing value configurations are rooted constitutes the inescapable baseline from which modernization will have to start if it is to have any permanent effect at all and if it is not to become a superficial and temporary aberration in a long process of historical continuity or stagnation....The search for solutions in keeping with religio-cultural norms initially may retard the development process and the rate of growth. On the other hand, history has shown the magnitude of the political costs incurred when the traditional sectors are allowed to fall behind in the development process."

To take such views seriously is to recognize that it is not sufficient to say that development plans must be sensitive to religious values, as if religious traditions were static and unchanging. The religious communities must themselves seek in their traditions the resources to cope with contemporary conditions. "The great natural religions, as well as the prophetic religions of Islam and Christianity," says Soedjatmoko, "must come to terms with societies whose historical dynamics have turned out to be stubbornly autonomous and which have drawn people outside the social and individual morality of these religions."

Viewed from this perspective, religious communities and economic planners are more likely to achieve goals agreeable to both of them if they work not in opposition but in ways that make acceptable accommodations to each other. Historically, religious faiths have not only provided standards for judging the world but have developed new ways of participating in the world. And today economic planners are increasingly attentive to the noneconomic aspects of rapid material progress, of the religio-cultural values that are not to be measured in quantifiable terms. **WV**