

the income from oil exceeded \$55 billion.

As a developing nation Saudi Arabia is in the enviable position of having more revenue than it can hope to spend on "modernization." This excess revenue has been invested primarily in Western industrialized nations. As a result, a conservative Islamic society finds itself face to face with the culture, economics, and politics of the modern world.

Little has been written about the economy of Saudi Arabia. Ragaei El Mallakh provides an in-depth study of its rapid economic development, carrying out a "structural analysis" of the economy using both cross-sectional and longitudinal techniques. Although his analysis is weakened by a complex and at times obtrusive writing style, the book benefits from his extensive research, much of it done in connection with *The Middle East in the Coming Decade*, part of the Council on Foreign Relations 1980's Project, of which he was co-author. Mallakh's chapter on the economics of oil is particularly well documented and presented.

In the area of Saudi oil policy Mallakh's observations reduce to three points. First, the primary problem for Saudi policy-makers is how to channel the sudden and unprecedented growth into stable, orderly, and self-sustaining development. Since the economy is based almost exclusively on a nonrenewable resource, the Saudi Government must endeavor to diversify the economy. Next, the Saudis must continue to maintain a moderating role over price-setting through OPEC. Finally, the Saudis would do well to play a role in ensuring political and economic stability both internationally and regionally.

While Mallakh recognizes that such wealth and influence bring added responsibilities, he neglects to point out that the Saudi motives in shouldering them are not purely unselfish. Consider the Saudi dilemma: The dependence of the United States and other Western states on imported oil means that any increase in the price of OPEC oil has an impact on the West's balance of payments, usually leading to the devaluing of Western currencies. Since the overwhelming percentage of Saudi foreign investment is in the West, any devaluation of currency means a devaluation of Saudi investments. These investment losses clearly cannot be offset by oil-price increases, since these would set off the same chain of events.

In addition to the financial and economic aspects of domestic programs, Mallakh includes a discussion of the political and social constraints on development. He dissects the three five-year plans with a balanced

critique of the accomplishments and shortcomings of each. The third five-year plan must address the largest obstacle to continued growth: a shortage of Saudi manpower. The author himself does not address adequately the pressure exerted on the social structure by the influx of foreign labor and by the move to include women in the work force. The development of Saudi manpower and the diversification of the economy will be the government's highest priorities in the current five-year plan. The rapid pace of industrialization combined with the unique socio-demographic aspects of Saudi Arabia make this an interesting case study of the problems confronting developing countries.

Newly Published

Kenneth W. Thompson, a *Worldview* editorial board member, recently edited three books on the American presidency, all published by the University Press of America: *The Roosevelt Presidency: Four Intimate Perspectives of FDR*, Vol. I of "Portraits of American Presidents"; *Ten Presidents and the Press*; and Vol. X of *The Virginia Papers on the Presidency*. The volumes represent activities of the White Burkett Miller Center of Public Affairs, of which Professor Thompson is Director.

BUSINESS, RELIGION, AND ETHICS: INQUIRY AND ENCOUNTER

edited by Donald F. Jones
(Oelgeschlager, Gunn & Hain [Cambridge, Mass.]; 245 pp.; \$25.00/\$12.95)

Walter E. Ashley

What are business ethics? Can they be taught and, if so, how? What contribution can organized religion make to the debate? Business schools and some clergy were wrestling with these questions even before Watergate put the spotlight on institutional morality in general, but so far with little agreement on any of them. Now a collection of eighteen essays by businessmen, clergy, and professors of ethics claims to chart some new directions and interpret businessmen and clergy to one another. The result, says the foreword, is a book "that both a pastor and an executive would be proud to put in each other's hands."

A big claim. How valid is it?

Certainly for anyone completely new to business ethics debates, this could be a useful introduction. The first section consists of articles on the confrontation between organized religion and corporations when the churches, wielding their stock purchases to

ALTERNATIVE LIFE- STYLES CONFRONT THE CHURCH

Deane William Ferm

A lucid, provocative account of what the churches are—and are *not*—doing to meet the needs of the congregants of the '80's. Most churches have been slow to respond to the special needs of persons who are not part of traditional nuclear family units—the handicapped, single parents, unmarried or divorced, gays, 'working mothers.' In *Alternative Life-Styles*, Deane Ferm catalogs a vast array of initiatives by both local and national churches that provide models for church people who want to do more for their neglected members. Index.

144 pages paperback \$8.95

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introduce stockholder resolutions, attempt to effect company policies. A second section gives Protestant, Catholic, and Jewish perspectives on the meaning of modern business. A third concentrates on questions of social responsibility as seen by corporate executives. A final section attempts to reach some new conclusions.

In general, the articles are calm and balanced. The case for laissez-faire capitalism, for example, is made without neglecting the problems it creates. The present American economic system is defended for its contributions to democratic pluralism. Business leaders assure us that their companies do in fact go well beyond the law in complying with moral imperatives.

Nevertheless, one is left with a feeling of profound disappointment. Where is the confrontation and serious disagreement that questions of business ethics inevitably provoke? Nowhere is this reflected, except in the very first article—a slam-bang *Fortune* piece attacking the churches for their handling of the topical infant-formula issue, with some indignant replies by church spokesmen. The result: Both businessmen and their critics will yearn to make what they believe

are the *real* arguments. Corporate executives will want to make an ethical defense of profits, rather than accept the academic view that providing goods and services is all right but making a profit somehow is not. Critics will search in vain for a discussion of the legitimacy of corporations—by what *moral right* do companies (meaning, in practice, a few executives) make decisions affecting the lives of millions? Even a corporation man will begin to miss Ralph Nader.

And surely as important, what do church spokesmen consider to be their own institutions' relevance to such problems? Can the leading Western religions, rooted as they are in simpler societies, provide guidance for today's world? Can an executive who spends five days a week poring over next year's corporate profit plan heed the injunctions of a faith that tells him to take no thought for the morrow? Maybe he can—but this basic issue is not even raised.

Finally, as a former teacher in business school who long puzzled over what to tell students about ethics, I found the book uninformative. When may an executive take a bribe (of course we'd call it a "commission to a middleman")? What is the proper response of a company man when he hears that his bid will be considered favorably if the corporation helps to build the new wing for the local hospital, all contributions tax-deductible? When a company is forced to close an unprofitable plant, how much notice should it give its workers? How much severance pay? These too are questions of business ethics—though I doubt there are any answers to them. We seem to be thrown back on St. Augustine's admonition *Dilige et quod vis fac* (Love and then do what you will). But this certainly would limit the clergy's role in counseling on ethics.

In summary, then, the book's claim to interpret business and clergy to each other is highly inflated. But it may encourage readers to do some basic thinking themselves. **WV**

Briefly Noted

MONEY, LANGUAGE AND THOUGHT

by Marc Shell

(University of California Press; 219 pp.; \$24.50)

In setting out to explore the relationship between economic and philosophic images—the cycle of influence and interaction involving language, ideas, and money—

Professor Shell covers a wide range of Western society's literary and philosophic works, from the medieval to the modern period, from legends of the Holy Grail to the ideas of Heidegger. A study of how and why such ideas have an impact on the economic consciousness of society should make for fascinating reading, illuminating the economic psyche of modern society. Unfortunately, this one does not. Here, extensive scholarship does not enlighten but obscures. The prose is turgid and needlessly complicated; and arcane language seems to have been consciously substituted for words that are more easily understood. Footnotes engulf the reader—440 of them, many of exceptional length, in 199 pages of text. Complexities are stated in such a manner that they confuse even further. In sum, a numbing cascade of learning tumbles out in the least intelligible form.

Learned the author undoubtedly is, and his inability to reveal his excellent topic to the reader is a tragedy for us all. Shell should be sent back for a rewrite; both topic and author deserve another chance.

—Ralph Buultjens

DILEMMAS OF PLURALIST DEMOCRACY:

AUTONOMY VS. CONTROL

by Robert A. Dahl

(Yale University Press; 229 pp.; \$18.50)

In *Dilemmas of Pluralist Democracy* Robert Dahl reaffirms his commitment to pluralist democracy while attempting to come to terms with some of its defects. In complex democracies, he insists, liberty is guaranteed by the existence of numerous independent organizations. Yet the very autonomy that safeguards liberty also permits such organizations to do harm. Can we remedy this ill without jeopardizing the liberty from which it springs? Through a series of "thought experiments," Dahl seeks a remedy that avoids substituting new dangers for old.

Organizational pluralism, Dahl writes, may prohibit a widespread consensus on the "common good," fragment the public agenda, permit private associations to appropriate public responsibilities, and reinforce existing inequalities. Though the focus of his book is not readily apparent, Dahl's primary concern is with the last of these defects. He argues that too often unjust and arbitrary disparities in wealth and income lead to unmerited political power. If modern governments want to avoid fundamental conflicts of interest that permanently divide citizens, they must either redistribute wealth

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Addendum

Tamara M. Green, whose review of *Nations Before Nationalism*, by John Armstrong, appeared in the February issue, was not identified further. Dr. Green teaches in the Department of Classical and Oriental Studies at Hunter College, CUNY.

and income or learn how to mitigate the effects of an unjust or unequal distribution. Attempts to rectify economic inequities through centralized planning or socialized ownership generate problems of their own. Dahl's solution is deceptively simple: By taxing inheritance, wealth, and income, we could root out the causes of economic inequality with a minimum of government regulation. We could thereby retain the benefits of a market economy without the burdens of the welfare state.

Unfortunately, Dahl's solution suffers from a narrowness of vision that belies his own insights. As he knows, structural change depends on a change in "civic consciousness." But why should Americans, long adverse to redistribution schemes that interfere with their private activities, be amenable to his proposal? Dahl admits that, barring a change in civic consciousness, they would not. His solution requires Americans to realize that economics and economic institutions affect the public weal in so profound a manner that they must be subject to public control.

Yet Dahl associates pluralist democracy with egoism. Although he recognizes that decisions made by egoistic individuals in the public sphere are not necessarily more just than decisions made by egoistic individuals in the private sphere, he still considers civic virtue an unattainable ideal because we permit the conflict of independent associations.

It is not that civic virtue requires the absence of conflict. It does, however, require bonds of affection and shared interest—bonds that are difficult to forge or cement in a large state. But the difficulty of creating such enduring bonds should not persuade us to relinquish the ideal of civic virtue. Sadly, it persuades Dahl to do so. The strength of his book lies in his recognition of the dangers of economic inequality. Its weakness lies in his belief that a republic can thrive without public-spiritedness. As Alexis de Tocqueville reminded us more than a century ago, equality might be a prerequisite of freedom . . . but it cannot ensure it.

—Laura Greyson

LIBERATION THEOLOGY

by James V. Schall, S.J.

(Ignatius Press [San Francisco]; 402 pp.; \$9.95 [paper])

The author, who teaches at Georgetown University, takes a little less than half of this volume to offer his own spirited critique of the "liberation theology" that is identified

with Marxist analysis and, sometimes, Marxist practice. The remainder of the book is composed of "critical essays" by American and European thinkers as various as Jeane Kirkpatrick, Hans Urs von Balthasar, Dale Vree, and Pope John Paul II. Included also are several group statements and manifestos of recent years dealing with the connection between religion and politics. This is not the book for the reader who is looking for an "evenhanded" introduction to political theology. For those familiar with the debate on the meaning of liberation, however, it is an extremely useful analysis that explains why some Christian thinkers are persuaded that liberation theology is neither good theology nor good for poor people.

—Richard John Neuhaus

THE AMERICAN INQUISITION: JUSTICE AND INJUSTICE IN THE COLD WAR

by Stanley I. Kutler

(Hill and Wang; xiv + 285 pp.; \$16.50)

This is a modest book, immodestly packaged. Beneath its resounding title is a loose collection of narrative essays. Each recounts in great detail the persecution of a public or quasi-public figure by various Federal agencies. Kutler's characters show little but their persecution. "Tokyo Rose" gets a retrial here alongside Ezra Pound; fiery Harry Bridges strides the stage with ironic Owen Lattimore. But Kutler is not really interested in his characters, their real or imagined threat to the government, or

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