Donald Boland, *Economic Science and St. Thomas Aquinas: On Justice in the Distribution and Exchange of Wealth*. Enroute, 2016.

E. Michael Jones, *Barren Metal: A History of Capitalism as the Conflict Between Labor and Usury*. Fidelity Press, 2014.

St. John Paul II offered two definitions of capitalism in *Centesimus Annus* (1991), one that may be acceptable to Christian civilization, and one that was not. The key difference between the two is the necessity for economic freedom to be circumscribed by limits that are at their core are ethical and religious (no. 42). The importance for ethical limits appears well accepted both progressive and conservative writers. (See, for example, Novak, M. (1982). *The Spirit of Democratic Capitalism*. New York: Madison; or Sirico, R. A. (1997). *Toward a Free and Virtuous Society*. Grand Rapids, Michigan: Acton Institute.) However, there appears to be a dearth of practical investigation into exactly what these moral limits might consist of. It is into this gap that Donald Boland has attempted to reinsert St. Thomas Aquinas.

Aquinas has been sidelined from economic discourse over the last half century, despite a handful of writers claiming to be Thomists, or at least drawing on the scholastic tradition. Henri de Lubac's contention that Thomism had been executed incorrectly in recent times has given rise to a variety of supposed approaches to Thomism, most of which appear to be more exercises in rhetoric than systematic applications of the Angelic Doctor. Boland's approach is to work from the source—St. Thomas's writing itself—and use it to shed light on the moral limits of economic behavior. In doing so Boland has laid out a set of classical issues considered to be the core moral elements of economic activity.

Boland uses as the foundation for his investigation the moral questions of distributive and commutative justice. He then moves on to consider usury and a selection of practical topics, such as wealth distribution, debt, and economic cycles. He is primarily a Thomistic philosopher and uses a classical philosophical approach to argue that the moral limits necessary for effective capitalism can be explicitly understood.

St. Thomas's *Summa Theologica* contains three questions specifically related to the morality of economic dealings. These are questions 66, 77, and 78 of the second part of its second part. They relate to property, price, and usury respectively. To these may be added his consideration of liberality, magnanimity, and magnificence in questions 117, 129, and 134, though these have more to do with the charitable use of excess wealth than regular commerce for income. Boland works primarily with questions 77 and 78 since his focus is primarily on economic exchange and usury.

Distributive justice relates to the just proportioning of returns to the various factors of production. Boland argues that the common good is best served when wealth does not concentrate excessively, and this can only happen as the result of a proportional distribution between labor and the other factors. He argues that the fact of substantial and growing wealth inequality is evidence that the common good is not being served by the current system, especially when it has led to a chronic, almost cultural, dependency on debt by the majority of the population. This is the observation of a moral philosopher who is able to look in on western culture disinterestedly; it would be a most unlikely statement from an economist and Boland takes some trouble to point out the intellectual distance between his approach and that of the main strands of market economics.

Boland does offer some very useful insights into the question of whether economics has a moral dimension or not. It is the common contention of modern economists, especially following Alfred Marshall (*Principles of Economics*, 1890), that it does not. Marshall argued for the transition from political economy (a sub-discipline of moral philosophy), to the entirely positive science of economics (with no connection to morals). Boland's basic argument is that justice can be defined as giving people their due, which he argues is equivalent in commercial transactions to giving them the true value of the property rights they own in what they contribute to the exchange. Rendering equality of value to both parties in a commercial transaction is commutative justice; hence, injustice is the result of one party getting the better of the other.

If Boland was an economist, he could have noted that just exchanges are the type of transactions that happen in the perfect market where perfect knowledge, mobility, and indifference exclude the possibility of the imbalances in negotiating power that would allow the dominant party to exploit the other's weakness. Given that almost everyone agrees that markets are seldom perfect, it follows that market imperfection dominates and in most cases one party does have the power to exploit the other. This does not mean that they will, merely that they have the power to, if they choose. It means that the choice not to is a genuinely moral one. Pope Benedict was aware of this moral opportunity when he noted that justice is a gift that the strong give to the weak (*Caritas in Veritate*, 2009). While the perfect market forces justice onto the market, the personal, moral decision to act justly is the common opportunity to effect commutative justice.

With a property rights focus applied to commutative justice, Boland is successful in demonstrating the moral dimension of the marketplace.

From this he examines the questions of usury, debt dependency, and business cycles. He is possibly more successful at establishing the importance of St. Thomas as a method than setting out the final conclusions for the moral dimension of economics. He does recognize that economics should have a positive, natural science facet and a moral one, and thereby resolves the problem of whether economics is a positive or moral science. It is both, and it is best understood when the two aspects inform each other.

Rupert Ederer was an economist who seemed to have adopted a similar view. He devoted a good part of his career to making Catholic social thought more accessible. He demonstrated the economic themes behind the social encyclicals in his *Economics as if God Matters*. He also translated the work of the key scholars behind them: Bishop Wilhelm von Kettler of Mainz, whose thought informed Pope Leo XIII's *Rerum Novarum*; and Heinrich Pesch, S.J., who similarly influenced Pope Pius XI's *Quadragesimo Anno*. Pesch defined capitalism as "state sponsored usury," setting a moral base to the economic question (*Lehrbuch der Nationaloekonomie* [*Teaching Guide to Economics*], trans. R. Ederer [Lewiston, N.Y.: Edwin Mellen Press, 2002–2003]). Usury has been almost totally eclipsed as a moral concern in our time and along with it capitalism's moral credentials are no longer a topic for polite conversation in conservative Catholic circles. Although Boland would distinguish between unjust exchanges and usury, his conclusions support the position Ederer ascribed to these stalwarts of Catholic social thought.

The problem with the popes' preoccupation with usury and capitalism was that they did not engage in empirical science when framing the social encyclicals, and its empirical aspect cannot be ignored. Empirically, capitalism is claimed to have proven itself as the most effective economic system in history, so it must be good for society. This is where E. Michael Jones enters with 1,400 pages of economic history arrayed across ninety-nine chapters of case studies of Western society and its economic adventures. *Barren Metal* is not an economic treatise, but history, and not simply a history of economic behavior, but an investigation into the interconnections between religion, society, and economic action. It follows Christopher Dawson's suggestion that culture should be the centerpiece for the study of humanity and the other sciences—philosophy, economics, perhaps even theology, should be ranged about it and contextualized by it (*The Crisis of Western Education* [Washington D.C.: The Catholic University of America Press, 1961]).

Jones's first case study is taken from fourteenth-century Florence, where the banking industry was laboring to break out of the constraints imposed by the immorality of usury within the Christian tradition. The success of that breakout was the destruction of the economy, at least in terms of its ability to provide a living wage to the average Florentine. Five hundred years before Marx, the organization of the disenfranchised was spurred by their destitution, in what was otherwise a thriving situation. The rebellion of the disenfranchised sought to achieve far less than the later Marxist rebellions by only asking for a living wage and not the property of the wealthy. By being Christian it could not be truly revolutionary, but by being Christian, it exposed a political weakness to those who by the standards of the day were not. Fortunately, the result was not a massacre, because even the usurers had to operate within broad Christian limits. The culture offered some protection to the weak, though perhaps not as much as before. The love of money had won a little victory over the love of God, but God still reigned over the culture.

The case studies in *Barren Metal* reveal the march of history as the love of money progressively outgunning the love of neighbor. It is impossible to summarize them all, or even to choose an exemplar. In some cases the Christian economy flourished, as in the South American Jesuit reductions where Indian communities practiced their new faith and worked for previously unknown material bounty. However, in every case their very success provided no small incentive for their enemies to destroy them. In the case of the reductions, their successes challenged the profit motives of the secular entrepreneurs, contributing extra vigor to the movement to suppress the Jesuits themselves.

The interplay between religion, society, and economic action is also very evident in several of the case studies. The Scottish Catholic highlander lairds retained a sense of obligation attached to their property that lingered from times when Christian social bonds were stronger. The economic dimension of the so-called Glorious Revolution was the revolution of the focus of property ownership from social integration to personal pleasure. For the Scots this was the seduction of the lairds into using their property for themselves and not those landless tenants whose livelihood had previously been maintained by what Pope Benedict XVI would note four centuries later was the gift that the economically powerful were morally obligated to offer the economically weak.

Money plays an important role through the whole work. The charms of easy money or denatured coinage are explored in a handful of cases across Europe. The global financial crisis, mentioned in the introduction, was presaged by too many precedents. John Locke's term as master of the English mint was lubricated by his covert interest in alchemy. Likewise, John Law's term as finance minister in France, and even the public finances of the French revolution, all tell a similar tale—easy money, short term boom, long term misery. The enemies of Christianity have consistently proposed easy paths to riches that have entered with a flourish, but left with the silverware.

One of the final case studies is nineteenth-century Germany, when Bismarck adopted the economic advice of Bishop Kettler and an economic policy that propelled Germany into rapid industrialization without an industrial revolution. Being Catholic, it began by recognizing that labor was the source of all production and undertook to pay labor accordingly. With high wages came high domestic demand and healthy growth. It reinforced itself by its own rising capacity and focus on supplying its own demand. This is in contrast to the English system that relied on exploiting cheap colonial supply and dumping into wealthy European markets. The English system flourished by suppressing its labor and subverting the industries of its markets with cheap imports. It was capitalism.

It was no surprise that Pope Leo XIII turned to Bishop Kettler for a workable Catholic solution to the "rapacious usury" that he observed in too much of the West. It was also no surprise that England eventually turned to military means to reassert its economic dominance, though perhaps that was only one of the several pressures prompting the First World War.

Barren Metal is a rich and readable tour through the rise of capitalism and its competition with Catholicism. Its focus is on culture, but it gives its reader insights into the social, moral, and political dimensions of Christianity and its enemies. It also provides ample empirical support for the merits of *Economics as if God Matters*. Combined with *Economic Science and St. Thomas Aquinas*, it provides a complete argument for the moral dimension of economics and a framework for exploring it.

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András Fejérdy, editor, *The Vatican "Ostpolitik" 1958–1978: Responsibility and Witness during John XXIII and Paul VI*. Istituto Balassi, 2015.

In the 1960s, Popes John XXIII and Paul VI, with the assistance of Archbishop Agostino Casaroli, adopted a new approach to the countries behind the Iron Curtain. It was called *Ostpolitik*, and it involved a cessation of public criticism of Communist regimes and full diplomatic engagement