



Joyful Economics

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I discovered economics quite by accident—though my Reformed Protestant friends might call my discovery of economics “providential.” Ever since that discovery, my spiritual life and my professional work as an economist have grown increasingly intertwined.

Looking back upon my journey

As a young person my life was quite religious. My father served throughout his working life as a pastor in the United Methodist Church, and he met my mother while they were students at Marion College (now Indiana Wesleyan University), a Christian liberal-arts institution in Marion, Indiana. Though I grew up in a ‘mainline’ denomination, my parents have always lamented what they perceive to be an ongoing drift of the denomination away from deep evangelical traditions.

My use of the word *evangelical* requires some clarification, since in modern parlance the word has evolved to connote something quite different from its earlier meaning. Though *evangelical* is now sometimes used as a kinder, gentler substitute for the more pejorative *fundamentalist* when referring to a particular subset of Protestants, formerly it was understood as referring simply to one who takes quite seriously the narrative of Jesus Christ’s life and work as found in the four accounts written by Matthew, Mark, Luke, and John—collectively, the *evangel*, more commonly the gospels. Under this definition of evangelical, I view my parents as authentic evangelicals, and I would also describe myself as evangelical in the sense that I yearn to reflect the teachings of the gospels through my life and work—

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including my economics teaching and scholarship. Do evangelicals like me think they are perfect? Hardly. Instead my impression is that most evangelicals, in the sense that I use the term here, are quite humble regarding their past (and present) failings, while hopeful of the persons they are in the process of becoming. We evangelicals, then, view ourselves as mere unfinished goods at various stages along the production process. I am reminded of an evangelical catchphrase from my childhood: “BE PATIENT: God isn’t finished with me yet!”

My parents were (and still are!) faithful Christians, as well as lovers of the life of the mind. They have always been followers of current events, voracious readers, and lifelong learners. When the time arrived for our family to consider where I might spend my undergraduate years, we focused upon institutions that took seriously both liberal learning and the Christian faith, and that also integrated the two throughout. Our search led me to Houghton College, a lovely undergraduate institution located along the Genesee River in rural western New York state.

At the beginning of my studies I declared my major in mathematics, though I soon discovered that I lacked passion for mathematics—at least on its own. Though I could succeed in the classes, I found myself quite unmotivated to pursue any career that might lie at the end of a mathematics degree. Near the close of my sophomore year, then, I changed my major to business administration: a degree program that, if I began immediately, I could complete by the end of my eighth semester and not need to financially burden my dear parents beyond that. Of course, majoring in business got me to take some economics classes. And I fell in love with the dismal science. Because Houghton was a small college with no economics major, I took most of my classes from Edward J. Willett—the only economist among the faculty. Although Professor Willett was deeply Keynesian in his views, which I would view as a ‘negative’ if I were his student today, he nevertheless inspired me to pursue a career in economics.

In economics I discovered the passion I found lacking in mathematics alone. And as I studied economics I came to view it as the science of good stewardship. As a Christian, this was a thrilling discovery. Christians are called to be good stewards of God’s rich creation. The word *steward*’s origins lie in two old English words: *stig* (a house or part of one) and *weard* (the same root as the word *warden*, a manager or keeper). Christians, then, have major roles to play as they interact with the created order: We are called to be faithful managers throughout God’s entire “House.” The created order ultimately belongs to him, yet we are his managers of it.

I became especially intrigued by the usefulness of economic thinking in addressing issues of ongoing interest to the Christian church: elevating the poor, tending to the planet, serving others through our work, and raising our children. Even in the first years of my study of economics, it seemed obvious to me that economics had powerful things to say that would be immensely useful to Christians

as faithful caretakers of creation. This early conclusion—that economics has a practical usefulness to Christians—served decades later as the primary motivation behind the book I wrote with Robin Klay, *Economics in Christian Perspective: Theory, Policy and Life Choices* (Claar and Klay 2007). Robin and I were convinced that evangelical Christians needed an accessible primer in economic thinking, and Robin convinced me that she and I were the ones to write it. Robin can be *very* persuasive.

Because Houghton offered no major in economics, I took all of the economics classes available to me and—ironically—studied a fifth year at Houghton in order to complete the major requirements in math that I’d begun at the onset. Eventually I earned my doctorate in economics at West Virginia University.

During my doctoral studies I became aware of the Association of Christian Economists (ACE), and I joined its ranks. As a member of ACE I received its peer-reviewed journal, *Faith & Economics* (formerly the *ACE Bulletin*), and read with great interest the journal contributions and biographical updates of scholars such as Todd Steen, John Lunn, and—of course—my dear friend Robin. To a person they appeared to me to be clear-headed economists who were also deep believers. In retrospect I see their ongoing scholarly contributions in the intersection of faith and economics as work carried out in the rich tradition of Scholastics such as St. Thomas Aquinas as well as the schoolmen of Salamanca, all of whom view the market order as a valuable portion of God’s providence.

During this period I was also heavily influenced by Donald Hay’s book *Economics Today: A Christian Critique* (1989). In particular I was impressed by Hay’s articulation of eight “biblical principles for economic life,” which Robin and I condense in the opening chapter of our own *Economics in Christian Perspective*. These include:

- “Humans are given the calling and responsibility of stewardship,”
- “Humans are created to enjoy creation and to show gratitude for it,”
- “Human beings have an obligation to work,” and
- “Society must make provision for the poor” (Claar and Klay 2007, 22-23).

Following graduation I moved to West Michigan to join the faculty at Hope College where I was blessed to count Professors Steen, Lunn, and Klay among my departmental colleagues and eventual lifelong friends. In retrospect I have no doubt that their considerable thinking and writing on faith and economics, and their deep passion for it as Christians, influenced my own career. Through them, and also through the networking opportunities afforded by ACE membership, I have also had the opportunity to meet and get to know many others who had a similar impact on my journey. These include Ken Elzinga, Kurt Schaefer, and Andy

Yuengert—to name but three—all of whom made visits to Hope’s campus during my years there.

What might Christian economists contribute?

Hay (2001) outlines three specific avenues through which Christian economists might make their own unique contributions to economic thought. One avenue—and in Hay’s view the least promising—is to create entirely new modes of thinking about economics that are built upon foundations of sound Christian principles. This avenue of influence, best exemplified by economists historically connected to Calvin College in Grand Rapids, Michigan, depicts modern economics as deeply flawed because its roots are ideologically and theologically rotten. Economists working in this “Reformed” school of economic thought include John Tiemstra. They argue that institutions should reflect biblical norms for human interaction, and they place a particular emphasis upon long-term covenantal relationships rather than occasional opportunities for mutually beneficial gains. Hay sees little value in this project. One may lament the self-interested nature of economic agents, but such lamentations do not constitute a sufficient argument to dismiss altogether our accumulated body of economic knowledge (Hay 2001, 175-176).

A second avenue of potential influence is through what Hay calls the “subversive method.” According to Hay, there is important work for the Christian economist to do, and the economist’s faith will drive his or her research program toward topics that will be of particular interest to Christians working in the world. For example, if Christians in fact have a biblical mandate to elevate the poor and to care for the planet, then Christian economists can help steer their own research—and that of their non-Christian peers—in directions that lead ultimately to more effective stewardship.

Finally, Hay outlines what he calls the “critical method.” Here the Christian agenda is made explicit, and without apology. Much of the research published in *Faith & Economics* exemplifies this approach; in a typical issue of *Faith & Economics*, hard-headed economists (to borrow Alan Blinder’s phrase) use their economics toolkits to tackle questions and issues that are explicitly Christian, and they address themselves to a largely Christian readership.

To these three parts that Hay suggests might be played by the Christian economist, I would add two other roles. First, Christian economists simply must communicate to the caring public the usefulness of the economic way of thinking. They also must convey the existing evidence regarding what works—and what does not—in addressing the world’s deepest hurts and needs. Far too few Chris-

tians understand much economics, and consequently their policy activism on behalf of the Christian church is badly misguided. Jordan Ballor (2010) gives a concise contemporary overview of this phenomenon.

I have spent the last few years communicating the best available economic wisdom to caring Christians. *Economics in Christian Perspective* is a prime example. Another example is *Fair Trade? Its Prospects as a Poverty Solution* (Claar 2010), a short book commissioned by the Acton Institute. In the book I unpack—for well-intended believers—the story of fair trade as related to coffee. In preparing the manuscript I read literally everything I could find in EconLit about fair trade, and then wove all of the available research into a narrative that could be read by anyone curious about it.

But this role requires great care. The ‘unseen’ and the ‘invisible’ may be powerful and familiar in the circles in which I normally hang out, but they can be a tough sell to a lay audience—especially if that audience already has a heavy emotional, financial, or institutional investment in doing something that we economists might see as inefficient (or worse). We economists—Christian or otherwise—must thus tread lightly when communicating with others on potentially touchy or politically divisive topics. I learned this lesson while editing *Economics in Christian Perspective* prior to its initial release. Before the eventual publication of the book, our publisher had sent the entire manuscript to two anonymous readers who both provided substantial helpful feedback. We later learned that the reviewers had been Tom Head (at George Fox University) and Stephen L. S. Smith (at Gordon College), and both of them strongly cautioned that too much of the book (ahem, mostly my own chapters) sounded like a libertarian rant. I remember vividly a comment from Tom Head: “In class I still use some remainder copies of Robin Klay’s (1986) *Counting the Cost*, and I’d recommend that book to someone *way* before I’d recommend the present manuscript.” Tom’s words smarted considerably at the time, but his criticism was spot on.

I once heard Caroline J. Simon, a former colleague and now provost at Whitworth College, say that when it comes to the task of writing one must always bear in mind that “no one owes you a read.” Too often economists like me who see the tremendous power of the price system to elevate humanity can come off as abrupt, dismissive, or—worst of all—uncaring, whether in writing, speaking, or even in informal conversation with one’s fellowship group at church. If someone believes they have been working diligently for a cause they care about deeply, you will never change his mind by telling him that his efforts have been ineffective. But because he does care, you have an opportunity to share economic wisdom. Don’t blow it.

I kept the words of Tom Head and Carol Simon firmly in mind while reworking the tone of several passages of *Economics in Christian Perspective* prior to its

release, and also while writing *Fair Trade?*. There are thousands of caring people who think they have been saving the world by purchasing fair-trade coffee and other commodities. If one of those caring people is attracted to a book you are writing by its engaging cover and its intriguing subject matter, but puts it down after ten pages because she applies a certain stereotype to you, then you have accomplished nothing. You have been written off, and it matters not how stunningly brilliant your analysis is: She will never read it, and you have lost an opportunity to share the economic way of thinking.

This is one of the reasons that the work of the Acton Institute has become so significant. The Acton Institute has always worked very diligently to, in their words, “connect good intentions with sound economics.”² Historically the Acton Institute has also been highly ecumenical, working to connect with believers and nonbelievers alike. They understand that both the message and the tone of an argument matter, because without serious engagement there will be few victories in winning others to the miraculous usefulness of the price system and the market order.

A final avenue through which the Christian economist might inform scholarly discourse to the benefit of many audiences is to undergird hard-headed economic research and writing with deep theological underpinnings. There are several books on the market that have attempted to give economists and theologians a space in which to engage in discourse on both economics and economic issues. Examples include Andrew Britton and Peter Sedgwick (2003) and Doug Bandow and David Schindler (2003). Yet in these two cases, and in others as well, the resulting product is not a cohesive synthesis of economic and theological thinking and tradition. Instead what can sometimes happen, as these two books illustrate, is that the theologians do a little talking, and then the economists do some talking. Even if the theologians and the economists happen to be writing from the same economic policy point of view, the theologians seldom know enough about basic economics to do it justice. And it is even less likely that an economist knows enough theology to meaningfully employ it in his research program.

For this reason, when I have a writing project in mind that has an obvious religious angle to it I seek out collaborators who better understand theology and the history of the Christian church. Ballor and Claar (2013) is a recent example; we tackle the deadly sin of envy from both theological and economic perspectives, making the argument that even though market outcomes lead to occasions for envy, attempts to use social democracy to eradicate envy are short-sighted in light of long-term goals of human flourishing. We argue further that the church and the family both have a significant role to play in forming human beings less tempted

2. This phrase may have originated with DeYoung and Gilbert (2011, 186ff.)

to envy when others achieve good things. Jordan patiently tutored me in church teachings regarding envy.

On utility, happiness, and joy

If modern economics suffers from an undue ‘flatness’, the main reason—at least in my opinion—is that it tends to treat a great variety of utility-influencing goods, services, and activities somewhat equivalently. Every utility function includes a vast array of arguments, and we multiply them together in the case of complementary goods, or we raise an argument to a high exponential power with a large coefficient in front of it if we want to suggest that something is *really* valuable to a particular consumer or household.

Don’t get me wrong: Economic modeling is a powerful tool that helps make arguments more explicit and precise. But I would contend that some forms of utility-enhancement simply are not comparable to each other. Or to put it more simply, there is a meaningful distinction between mere happiness and rich, deep, abiding joy. A beautiful day makes me happy. So does a nice Dave Brubeck tune or a lovely glass of beer on a Friday afternoon. Combine the day, Brubeck, and the beer and I’m really happy, perhaps even content. But that contentment simply cannot be compared to, for example, the abundant joy that knowing Robin has given me and will continue to yield throughout my life. And I might be mistaken, but to me it seems like there is something much deeper in my friendship with Robin than merely a return on an investment in social capital that I am enjoying because of our friendship, our collaborations, and our shared faith. Thinking about my friend Robin right now, as I write, makes me experience gratitude and joy, and I miss seeing her. The birth of a child often brings joy, and so does a wedding day. In the gospel account written by Saint Luke, the angel tells the shepherds, “Fear not: for, behold, I bring you good tidings of great joy, which shall be to all people. For unto you is born this day in the city of David a Saviour, which is Christ the Lord” (Luke 2:10-11).

The late Paul Heyne has suggested that economic behavior cannot be reduced to utility maximization. He describes our economic activity as “purposeful;” we each have places in our lives we are trying to get to, and only we know best where we are going and how to most effectively proceed (Heyne 2008). I like this description, because it opens the door to all human pursuits, and all sorts of purposes—whether simple or profound.

Occasions that bring profound joy usually require moral experiences and personal investments far in advance of any measurable or even observable outcomes; they frequently require short-term choices that may seem perplexing to a

bystander who sees the decisionmaking environment through a different lens. I am reminded of the Austrian school's emphasis upon the intertemporal structure of capital in the Austrian view of the business cycle. Roger Garrison (2005) provides a helpful overview, emphasizing that significant long-term change is impossible unless entrepreneurs and their investors are free to invest in pursuits that may not pay off for decades, if at all.

In my view, then, people of faith are called to lives of high purpose, and in their pursuit of a good life they put off ephemeral happiness in order to invest in something that gives their lives focus and direction over a long time horizon, perhaps even a very long one. All of us do this to different degrees, whether pursuing doctorates in economics, starting (or not starting) our families, putting together a book proposal, beginning a fitness program, or dutifully turning up for ballroom dance classes with our life partners. We choose to do these things both when they are easy, and also when difficult, because we seek rewards that add up to a sum far greater than a high daily dose of happiness. We instead seek after deep, abiding joy. And surely economics has room enough for joy.

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