



Building an Ethical Economy*

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Every January, Trinity Institute, an educational program developed by Trinity Institute Wall Street, an Episcopalian parish (on Wall Street, New York) offers a national theological conference open to the public in New York, and even here in Cincinnati via webcast at Christ Church Cathedral. Every January I take a trip downtown to Christ Church Cathedral and listen to lectures similar in quality to those I received at Harvard. Every year I look forward to this continuing education opportunity. Every year I come away having learned something, having knit theology together with world issues like violence and the environment. Every year, that is, except for this year.

This year the topic was *Building an Ethical Economy: Theology and the Marketplace*. Speakers included Rowan Williams, the 104th Archbishop of Canterbury (who guides the worldwide Anglican Church), Kathryn Tanner, Professor of Theology at the University of Chicago's Divinity School, Sir Partha Dasgupta, Professor of Economics at the University of Cambridge, and Bernard Ntahoturi, the Archbishop of Burundi in Central Africa. The speakers were excellent, thoughtful, provocative, but I left with the deeply uneasy sense that our current capitalistic market lives in a different realm from Christian (or Unitarian Universalist theology).

After Archbishop Williams spoke, he, as all speakers, joined a panel of three others to discuss his lecture. One of the panelists, Susan Lee, is a member of *The Wall Street Journal's* editorial board. She has a doctorate in economic history and some of you might recognize her as a commentator on NPR's "Marketplace"

She, clearly well versed in American markets, their culture and language, immediately began to note that the Archbishop's language was theological, not based on

economics, or the intersection of the two (which she believes is the discussion of ethics). The Merriam Webster Dictionary defines ethics as 1) the discipline dealing with what is good and bad and with moral duty and obligation, 2) a set of moral principles: a theory or system of moral values. In the 1950's another "ethical" definition was created, "situational ethics - based on context more than principle."

So, according to Lee, theology and economics should meet in the arena of conversation on what is good and bad, what is duty and obligation. I was already concerned when I heard the term "moral." I am not sure that the United States ever had agreement on the word "moral," but I think we might have less of an agreement now than we have at other times in the past. Maybe we should do appreciative inquiry sessions for Americans on what is "moral," and in a forced choice what is your most important "moral."

Lee noted that "morals" alone cannot define economics because the system is too complex. She explained that theologians on the left emphasize the distribution (or redistribution) of wealth, and most use economics like a "Chinese menu" – ordering some parts but not others. According to her, this is unworkable and unrealistic because economics is an "interlocking system with many parts." She insists that we must work on the generation of wealth or our economic system (or any economic system) will fail. She explained that though theology and economics should meet in the discussion of ethics, in reality, they are on "two separate planets."

At this comment I was reminded of current statistics on the distribution of wealth in the United States. According to a recent *New York Times* article (March 29, 2007) entitled "Income Gap Is Widening, Data Shows"

Income inequality grew significantly in 2005, with the top 1 percent of Americans — those with incomes that year of more than \$348,000 — receiving their largest share of national income since 1928, analysis of newly released tax data shows. . . The new data also shows that the top 300,000 Americans collectively enjoyed almost as much income as the bottom 150 million Americans. Per person, the top group received 440 times as much as the average person in the bottom half earned, nearly doubling the gap from 1980.

How can such inequality be ethical, by any measure, even a capitalistic loving one? Inequality like this, can not logically (regardless of theology) sustain the generation of wealth needed so support the system. Can it? It would seem in the long run to create plutocracy (rule by the wealthy) subject to desperate poverty, social immobility, and revolt. That's what history would tell me, but I am not an economist. So we can't

agree on morals, and our unequal economic system cannot sustain itself (based on my best guess).

Lee then told a story about the after the fall of the Berlin wall in the 1980's. At that time she was deputy editor of the *New York Times* op-ed page. According to her, many theologians and clergypersons wrote editorials suggesting what to do with the expected peace dividend, yet none of their editorials were published. She explained that clergy and theologians used phrases like “radical abundance” which don't mean anything in the language of the American marketplace. Now that is a problem and I was and am stunned by what she said.

“Radical abundance” is a popular theological concept with satisfying poetic language (I have probably used it myself). But apparently it does not translate into a marketplace that concerns itself with the production and circulation of goods and our capitalistic system which focuses on the generation of wealth. So, we can't agree on morals, our unequal economic system cannot sustain itself, and religious people use language that makes them (us/me) irrelevant.

Trained in the world of history and theology, I don't have a deep understanding of economics. I suspect that many of us are the same way. Economic is a complex integrated system (as we have seen since the housing crisis). I completely understand her point that we need to look at the whole body – as in a body, we can't just treat repeated, severe headaches without making sure the heart and arteries and many other systems are functioning as well.

What concerned me is that I don't understand the whole system. I hear so many economists speak now, and they disagree so often that I wonder who understands this interlocking system. I don't want to be one of those liberal Chinese menu theologians, yet I think I must be. In this way I am concerned that I/we are part of the problem, not the solution. And throughout the rest of the conference I was concerned that I do not have the tools (information or language) to convey what I care about in a language that can be heard by people with economic power. I was, and I hope you will consider being, theologically and economically humbled. So here are our four problems, we can't agree on morals, our unequal economic system cannot sustain itself, religious people use language that makes them irrelevant, and we don't understand the complex integration of economics. Expletive.

Ms. Lee was not a lecturer at this event, but I thought that she was far and away the most provocative and relevant speaker. She was warning every speaker and those in attendance that how we talk about markets with theological language often makes us irrelevant in a marketplace that needs more informed, moralish voices. I became

stuck at this point, and never left it throughout the rest of the lecturers. Every lecturer that came after her I listened to with two ears, one as a minister, and the other as a wannabe economist.

After listening to Ms. Lee, I could barely understand the address given by Kathryn Tanner, Professor of Theology at the University of Chicago Divinity School. She spoke so much out of the divinity school/religious tradition that it pained me, not her ideas, but how much no economist could hear them. Professor Tanner has an interesting theory that God's love is graciously given and that God serves as creator/sustainer/redeemer. Can we then use this model to redefine our economy with a redistribution of grace and salvation that focuses on our shared human responsibility to one another? She uses terms like "non-competitive relationships" and "universal collusion." These are moral concepts and terms and I know exactly what she is saying. I can see the paper I would need to write about her theory if I was still in Divinity School. I can see how her theology will positively redefine human beings, who learn from her, in more relational ways.

She also said some notable things like "It doesn't appear that our present form of capitalism works well. There are gross economic disparities today. Private property is taken as a given in our current form of capitalism. This means the exclusive rights of use to something that creates scarcity." Yes, yes, and yes. Good, bad, duty, obligation. And I could not find a way to make her compelling and relevant to an economist, or anyone other than a religious person. This depressed me. I know what she is saying, I basically agree with it – why does it translate so poorly in an area (economics) that truly leads to life and death situations?

The speaker who covered the most middle ground (economically and ethically speaking) was Sir Partha Dasgupta, Professor of Economics at Cambridge. Interestingly, Professor Dasgupta says that "trust is at the heart of what I have learned about economics." This is probably good to know, but it made me nervous on a large scale. Trust? The European Union is reeling (as is the rest of the world) from that fact that Greece has not managed its currency (aligned with all of Europe) in a way that protects all. There is anger and fear, no trust. We are, waiting for the other shoe to fall. Then again, bad economic news (like we have had for the past two years) breeds anxiety.

Sir Dasgupta has some interesting things to say about the Gross Domestic Product (GDP). According to him, the concept of the GDP was created during the Great Depression to measure goods and services produced and to find out if the level of economic activity was improving. Today he notes, the problem is that GDP measures today's well being, not that of the future, and it does not include all things. So, for

example, GDP does not take into account the depreciation of capital assets, like nature. GDP does not measure smog and its consequences. (Sometimes I think we live in an economic fantasy land and someday the bubble will burst). I'm not a pessimist (really), but aren't we skating on thinning ice here? In case you think capitalism is the only despoiler of nature, Dasgupta noted that "Capitalism and the former Soviet Union were both atrociously bad with economics and nature."

Dasgupta explained that there is a hidden assumption that in economics that people trust the market. Remember, he finds "trust" as a key economic factor. He wrote a recent book on economics using two fictional young girls, "Desta" from sub Saharan Africa, and "Becky" from the United States as examples. He sees the basic difference between the two girls as one of security. Becky has food and shelter, parents, and a world that is full of opportunities and challenges that can be solved. Desta lives a life of insecurity, subject to pests and torrential rain. Her world is full of problems that can not be solved. Becky's world is secure enough for her to have ambitions (that could someday generate wealth), and Desta's world is too insecure for her to have ambitions or generate wealth. As Dasgupta explains, there is a difference between challenges and problems. Challenges can be overcome; problems cannot due to lack of resources and security.

Dasgupta believes that governments are responsible for providing security. He explained "Do not be overly influenced by short term dramatic changes (like we are experiencing now in the United States) . . . this crisis is not a reflection of nature being irritated. It is about us being asinine." Yes, but it is the asinine, the on-going potential for asinine that I worry about, among you and me and our leaders.

If governments are responsible for providing security, I am also concerned. We seem notably angry with our government, specifically lacking in trust. Congress has slowed due to gridlock based on lack of trust. You know how, when you are in the middle of a problem, you can't see when you have hit bottom or when things are starting to improve? This recession will pass. I am not so worried about that, I never have been, even as much as I have been caught in it. It has not been fair and I have counseled members of this congregation and in my family as we have all struggled with the pain and indignities of this recession. Now, what troubles me is the long term. What are we successfully doing to redirect our economic course away from plutocracy towards "a more perfect union . . . to ensure the blessings of liberty for ourselves and our posterity?"

Rowan Williams, the Archbishop of Canterbury asked some wonderful questions: "What do you mean by wealth?" (Really, what is wealth – is it money, love, security, family, friends, a college education, shelter) "What do you mean by growth?" "What

happens when wealth is exponentially grown and unreflected upon?” “What level of wealth generation is compatible with finite world resources?” “What drives the generation of toxic debt?” As he pointed out, the generation of debt for someone, generated wealth for someone else somewhere along the line. Toxic debt is not innocent.

I have begun to wonder if we are all ignorant about the economy, all of us, you, me, theologians, well-meaning leftists, Tea Party affiliates, Democrats, Republicans, economists, world leaders. All of us, because we can't seem to civilly talk to one another about morals and ethics and economics. We have little shared understanding or communication. And because of this, aren't we all just chipping away at the economy like ordering off a lunch menu? I am sold that economics is a complex, integrated system that relies on trust. I understand the importance of generating wealth for all (and I don't have great faith in trickle down economics so I am referring to more people having viable employment or access to carefully monitored small business loans, for example). I don't see how our current form of capitalism, growing in excessive inequality, can sustain a healthy, cohesive society in the long run. If the statistics on economic disparity continue on their current trajectory, where does this go? I have no answers. I have the beginning of questions. In my fantasy world, you, and everyone else does as well.

**This is the text of the sermon I preached at 9a.m. In between services a member with a background in economics gave me more helpful information that I used for the 11a.m. version. In essence, he asked me to consider creating a scale of evaluated measurement for what is religiously suggested (for example, to determine how we could measure “radical abundance” and determine if and when it is successful and what exactly it is). I have never before considered putting religious values/morals on a measurable scale. Also, he suggested to me that economics begins with ethics and that this is discussed early so that people can make choices based on values. He told me that shortly after this economics breaks down into mathematical equations.*