Self-Interest, Altruism and the Concept of Morality in the Market Economy: 
An inquiry into the premise of moral order

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Getting at the root of market morality

The recent “near-death experience” of the global economy, the “great recession” still unfolding, has once again brought into question the morality of the modern market economy. As with so many other market failures, this one, originating in the subterranean obscurity of synthetic financial products ingeniously constructed upon the risks of mortgage-backed securities, has invited scrutiny of the moral standards which prevail in our modern global market. Joseph Stiglitz views this present crisis as the latest in a long string of market failures, and finds in the aftermath of its destructive force ample evidence of erosion of ethical integrity. Rather than being motivated by virtue or generally honored moral purposes, he laments that:

We have gone far down an alternate path—creating a society in which materialism dominates moral commitment, in which the rapid growth that we have achieved is not sustainable environmentally or socially, in which we do not act together as a community to address our common needs, partly because rugged individualism and market fundamentalism have eroded any sense of community and have led to rampant exploitation of unwary and unprotected individuals and to an increasing social divide.

The very American ideal of individualism would seem to be both a progenitor of good, efficient, utility-maximizing outcomes for the market economy, as well as an ingredient contributing to its downfall. Herein lies a paradox it seems, in the critical role of self-interest in economic ethics—how are the opposing forces of self-interest and altruism to be held in tension? How are we to find the right admixture of self-interest and altruism, and presuming such an admixture exists, who shall write the prescription?

2 Stiglitz, Freefall, 275f. Cf. Marjorie “Not Just for Profit”, Strategy+Business, Booz & Co., Inc., Feb. 6, 2009—“The financial meltdown of 2008 was a direct result of the pursuit of immediate profit by investment bankers and mortgage brokers who disregarded the impact of their actions on customers, on the larger economy, and indeed on stockholders and the company itself in the long term.”
I must admit at the outset that by asking this question I have already crossed a line drawn in the sand by those who would uphold self-interest as an absolute value in support of the “invisible hand” argument of Adam Smith. In the worldview of such hard core free market idealism as we have heard from Milton Friedman, for example, my question about ethics must lead only to the foregone conclusion that any rational inquiry will inexorably vindicate self-interest as a moral good. In Friedman’s view, any other answer to the question posed amounts to little more than spurious and “hypocritical window-dressing”. Nonetheless, I shall proceed bravely undeterred by this strident opposition, and shall cross this line in the sand, because the idealistic claims in support of self-interest seem neither to address the empirical evidence of counter-productive excesses in our current global economic situation, nor to answer to the charge that their foundational principles might be tacitly fideistic. Thus, the question of market morality is often left unexamined because the foundational principle of self-interest is taken as a matter of faith not open to scrutiny.

Furthermore, the absolutism endorsed by the champions of Adam Smith’s famous “invisible hand” and the corollary concept of self-interest seems frequently to reveal a misreading of their prophet’s manifesto. After all, Smith was writing for an audience who presumed that Christian faith provided the overarching context for reality and morality. In the midst of the Enlightenment and the development of utilitarian philosophy, Smith spoke to a world which faced the challenge of interpreting the new economic forces of industry and global mercantilism in light of traditional Christian values of charity and communal covenant. The situation could not be more different today, as faith in the power of the free market has outpaced popular cultural faith in the God of the Bible. Idealistic supporters of the “invisible hand” seem not to take notice of the Enlightenment context in which Smith coined the phrase, and furthermore, the phrase is too often used to justify conclusions that seem at odds with Smith’s original intent. He did not regard self-interest as an unqualified good. He

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3 Friedman goes on to say, “I share Adam Smith’s skepticism about the benefits that can be expected from “those who affect to trade for the public good”—this argument must be rejected on the grounds of principle.” Milton Friedman, “The Social Responsibility of Business Is to Increase Its Profits”, New York Times Magazine, September 13, 1970.

4 “Fideism” is an epistemological choice to place a truth outside the realm of reason, by taking it on faith, and by viewing rational inquiry as somehow opposed to faith. The term derives from fides, Latin for faith.

5 The expression “invisible hand” is found in the middle of Smith’s seminal treatise on the new era of mercantilism: An Inquiry into the Nature and Causes of the Wealth of Nations (1776).

6 Smith’s more important work on ethics The Theory of Moral Sentiments, which first appeared in 1759 and went through several editions, demonstrated a fundamental concern for the lapses in strict utilitarianism. In opposition to the prevalent utilitarianism of his time, he argued for sympathy as a foundational moral principle of justice, and considered conscience to be based in social relationships.
rather recognized it to be an unprincipled impulse to be used for good, yes, but also to be held in check and regulated as necessary for the good of society:

> Those exertions of the natural liberty of a few individuals, which might endanger the security of the whole society, are, and ought to be, restrained by the laws of all governments.\(^7\)

Smith himself concludes that self-interest is not an unmitigated good. Returning then to the question which shall occupy the attention of this paper: how are the opposing forces of self-interest and altruism to be held in tension? As we have seen already in this brief consideration of Adam Smith’s doctrine, any inquiry into the ethics of the market economy must contend with differing presumptions as to the inherent goodness and apparent dichotomy between self-interest and altruism. If altruism is to be held up as a balm and antidote to potential excesses of self-interest, then the foundational goodness of both self-interest and altruism must be examined; otherwise we are left with an ethic that lacks credibility precisely for having ignored its own epistemological presumptions. This tendency to ignore the presumption of inherent goodness of self-interest as a founding principle of market morality is not surprising given the power and status of the market as an accepted force for good in our culture, being so focused on business and consumerism as we are. Furthermore, it is patently obvious of course that business has done much good for societies across the globe, and has contributed to human flourishing in countless ways. It is this very success of modern business that has spawned a cultural moral imagination that presumes the goodness of individualism and self-interest as a starting point for ethical discourse. The rise of the concept of the market economy, as both a social good and a natural law of ethics unto itself, has been diagnosed with precision by Karl Polanyi as he describes the ascent of the *market society* in the modern moral imagination. The advent of the “commodity fiction” imposed by the logic of the market economy “transformed the very substance of human society” during the early decades of the new American republic, as the precepts of the market economy drew strength from the new dominating power of business. The power of the market economy “then gave rise to yet another, even more extreme development, namely a whole society embedded in the mechanism of its own economy—a *market society*.\(^8\)

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The power of this transformative force in society, impelled by the productivity of business and market development, has been interpreted through the lens of the idealized Self of the Enlightenment worldview, and has thus led quite naturally to the concept of the free-thinking individual as the arbiter of both economic and moral choice. Thus, the fundamental ontological reality of the new market society would seem to be *homo oeconomicus*, the individual human as defined by economic choices, opportunities, transactions and utility functions.

As if the empirical evidence of market power and the persuasiveness of this philosophy of the market society were not enough to reshape the modern moral imagination and validate *homo oeconomicus* as a true understanding of humanity, Darwinism, followed by social Darwinism, came along to add momentum to this reshaping of moral philosophy in the nineteenth century. As Darwinism lent credence to the belief that life, including *homo sapiens*, could be understood without any reference to a Creator, likewise social Darwinism emerged as an explanation as to how ethics (and associated concepts like morality and conscience) could be, and should be, understood apart from any resort to theology. Hobbes and Locke had already paved the way for these ideas, providing intellectual weight for a new theory of social contracts and ethics based on individualism.

I must note emphatically, that I do not mean to suggest that evolutionary theory or the psycho-social sciences pertaining thereto are in any way incompatible with Christianity or other faiths. Not so. Good science is good science. The point here is not that empirical sciences are somehow contradictory or in conflict in any way with faith, but rather to demonstrate how these new modes of thinking have had an impact upon the cultural moral imagination. What has happened is that ethics has been divorced from theology. Up until the Enlightenment, this had not been the case. Ethics emerged as an academic discipline separate from theology only in the modern era, as modern concepts of the Self found support from new ideas in science and philosophy. Hobbes and Locke had already paved the way for these ideas, providing intellectual weight for a new theory of social contracts and ethics based on individualism. These movements resulted in a shift of “Western political economy from its roots in the biblical tradition of economic obligation into the soil of sensate pleasure and possessive individualism.” Prentiss L. Pemberton and Daniel Rush Finn, 9 I shall set aside the irony of this sentiment of “should be”, which denies the conclusion of Enlightenment philosophers that an “ought” cannot be derived from an “is”. To unravel the missteps by which this moral sentiment emerges in spite of refuting its own premise that the free-thinking self should be invested with ontological priority is a book-length project beyond our present scope. For a good analysis of the ironic fallacy of that sentiment, Alvin Plantinga and Charles Taylor have each tackled this issue. See also Alan J. Torrance, On Deriving ‘Ought’ from ‘Is’: Christology, Covenant and Koinonia”, in *The Doctrine of God and Theological Ethics*, ed. by Alan J. Torrance and Michael Banner, (London: T&T Clark, 2006), pp. 167-190; and Alan J. Torrance, “Can the Truth Be Learned? Redressing the “Theologistic Fallacy” in Modern Biblical Scholarship”, in *Scripture’s Doctrine and Theology’s Bible*, ed. by Markus Bockmuehl and Alan J. Torrance, (Grand Rapids: Baker Academic, 2008), pp. 143-163.
The ascendance of *homo oeconomicus* as the principal agent of the market, and thereby the arbiter of morality, has made its mark in theological contexts also, and not just in economics. As an early example of this assimilation of *homo oeconomicus* into popular Christian moral sentiment we may turn to Andrew Carnegie, who argued passionately for the self-evident truth of Individualism as the foundational ethical principle of the market society. Based on this *a priori* affirmation of self-interest, he went so far as to rationalize “the Law of Accumulation of wealth and the Law of Competition” as “the highest results of human experience.”

The freight of all this movement of the moral imaginary inspired by Enlightenment ideals has not lost much momentum, even as postmodernism has deconstructed the possibility of self-evident truths. It would seem that the withering critique of postmodernism against metanarratives has left the ideal of individualism relatively unscathed, since it had already been severed from the Christian metanarrative at its birth. Rather than suffering a debilitating deconstruction at the hands of postmodernism, the idea of the Self as the progenitor of all ethical meaning seems to have been assimilated and endorsed by the relativistic leanings of our age. The effect of the postmodern drift into relativism is to seize upon the one and only apparently stable source of meaning in the market society, namely, the choices of the self-determining individual (aka, *homo oeconomicus*) in the marketplace. Smith’s invention of the “commodity fiction” has had enormous staying power. Thus we can see how the modern moral imaginary has come to ground meaning in what can be bought and sold, whether in the marketplace of commodities, or the marketplace of ideas.

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10 “It is a law, as certain as any of the others named, that men possessed of this peculiar talent for affairs, under the free play of economic forces, must, of necessity, soon be in receipt of more revenue than can be judiciously expended upon themselves, and this law is as beneficial for the race as the others.” Andrew Carnegie, “Wealth”, *North American Review*, June, 1889.
Modern consumption is about buying *meaning* for ourselves. It is about the way we construct ourselves, the vantage point from which we want to look at the world… What was once just a matter of producing goods has become as way of producing a culture and meaning, for what we consume has merged into what provides us with our meaning.\(^{11}\)

As theology seems to have been superseded by biology in the postmodern mind, so ethics seems to have been superseded by ethology. Morality becomes a study of the behavior of social animals, rather than a study of good or righteousness. The concept of *homo oeconomicus* assimilates readily into the emerging field of evolutionary psychology, which would define moral deliberation as a behavioral trait conducive to the propagation of a species. The idea that the ethics, economic or otherwise, is grounded in the individual free will of the rational self fits hand-in-glove with the concept that a “sense of conscience” is somehow unreal, not a real thing ontological speaking (not a *Ding an sich*), but rather a side effect of evolutionary advantages to be found in the human species. Ethics becomes ethology. Darwin himself adumbrated precisely this shift in the moral imagination of our age:

\[T\]he following proposition seems to me in a high degree probable—namely, that any animal whatever, endowed with well-marked social instincts,… would inevitably acquire a moral sense of conscience, as soon as its intellectual powers had become as well, or nearly as well developed as in man.\(^{12}\)

This idea of moral sense as an attribute of the human being, and by extension the *homo oeconomicus*, as the true ontological reality has gathered steam as neuroscience, evolutionary psychology and the human genome project all contribute an aura of scientific credibility to theories that ground human nature in mechanistic, materialistic concepts. Ethics is thereby constrained to be conducted within the premises of non-teleological evolutionary processes based upon chance and necessity.\(^{13}\)

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\(^{12}\) Charles Darwin, *The Descent of Man*, second edition (London: John Murray, 1875) 98. Modern day Darwinists have extended rationalized Darwin's conjecture. Following Darwin's lead, Frans de Waal offers an explanation currently popular among evolutionary psychologists: “Conscience is not some disembodied concept that can be understood only on the basis of culture and religion. Morality is as firmly grounded in neurobiology as anything else we do or are.” de Waal cites the curious case of Phineas Gage, who in 1848 suffered a “hideous accident” which drove a metal rod through his head, wiped out part of his brain, and left him with an altered capacity for moral deliberation. Frans de Waal, *Good Natured: The Origins of Right and Wrong in Humans and Other Animals* (Cambridge: Harvard University Press, 1996) 216-7.

Theologians too have imbibed of these strong notions, and some have produced a variety of creative answers to the questions of how there can be moral sentiment and displays of altruism without resorting to classical ideas of the soul as an ontological reality. This has led to interesting and varied new approaches to dogmatics with respect to ideas of the soul and the conscience. To cite merely one brief example, we may look to the proponents of the new theological idea of non-reductive physicalism (NRP), chiefly Nancey Murphy, George F.R. Ellis and Warren S. Brown. Murphy, writing as a confessing Christian theologian, denies the existence of the soul altogether, on the grounds that sum total of a human person is materially construed. Since NRP presumes that all human behavior is based wholly in physical, objectifiable and ultimately observable states, theological ethics and evolutionary ethics can be reconciled on the basis of their shared ontological presumptions regarding human nature and the moral order. The proponents of NRP consider this reconciliation of theological and “natural” ethics to be a boon for dogmatics.

Murphy, again representing the views of NRP, claims that moral reasoning can be explained in terms of neurophysiology alone. Furthermore, she claims NRP “explains neurobiologically why an approach to moral analysis and moral education based on narrative accounts of virtuous lives should be more effective than its competitor [sic].” The doctrine of NRP thus leads to the case that “the experienced sense of moral obligation is an illusion.” This result of NRP is not surprising, however, given that it begins from the same starting principles as evolutionary ethics.

1991) 228-9. As one indication that momentum in this direction of interpretation is cresting, we can look to the scientific project titled (unusually bluntly for a scientific dissertation), “Explaining Religion”. In late 2007 scientists from 14 universities began research to identify the biological causes of moral thinking and religion, and to develop a theory of mind to accommodate their findings. The Oxford website describes the project in these terms. The researchers presume, apparently, that moral thinking and religion are linked, if not synonymous—a presumption that turns out to be prescient in light of what follows in this dissertation; though not, of course, for the reasons they would suspect. The 2-million-Euro project is based at Oxford’s School of Anthropology. Details are available at: http://www.anthro.ox.ac.uk/latest/news/article/date///explaining-religion-conference/. The Economist reported nonchalantly the reason for the scientific project: “Religion cries out for a biological explanation.” “Where Angels No Longer Fear to Tread”, The Economist, 22 March 2008.


17 Ibid.

18 Murphy and Ellis, On the Moral Nature of the Universe (Minneapolis: Augsburg Fortress,1996) 16. In this regard NRP seems well suited to provide, ironically, theological encouragement to atheistic titles such as Richard Dawkins, The God Delusion (Boston: Houghton Mifflin Co., 2006).
regarding the need to explain moral reasoning in terms of materialistic chance and necessity.\textsuperscript{19}

We might describe the cosmogony which results from these influences as “evolutionary ethics”.\textsuperscript{20} Some theorists claim that, given enough scientific evidence, all moralistic behaviors can be explained within the terms of this non-teleological cosmogony, and therefore the idea that morality somehow pertains to spiritual reality should be considered incoherent, meaningless and outdated. This interpretation argues that theological ethics represents an incoherent expression of reality, and should therefore be considered to be merely a self-delusional state of mind that either serves the interests of an animal’s genetic reproduction, or is a spandrel of those same evolutionary factors.\textsuperscript{21} Sobel and Wilson, advocates of evolutionary psychology, represent this point of view—they find no fundamental difference between the altruism of human beings and the reproductive cycle of the trematode parasite \textit{Dicrocoelium dendriticum} which takes the form of a “brain worm” which bores into an ant’s nervous system.\textsuperscript{22} On this view, compassionate altruism and brain worm parasitism each fulfill the same reproductive purposes.\textsuperscript{23}

\textsuperscript{19} Murphy and Ellis sound remarkably close to the intentions of the \textit{Explaining Religion} project when they position the rationale for their book as an effort to meet “the need for an objective grounding for morality”; \textit{On the Moral Nature of the Universe} (Minneapolis: Augsburg Fortress, 1996) 1.


\textsuperscript{21} This makes altruism a challenging problem within evolutionary explanations. Richard Swinburne observes that “Altruistic behavior is a central feature of animal behavior”; Swinburne, \textit{Evolution of the Soul} (Oxford: Clarendon Press 1986) 219. In his attempt to reconcile altruism with evolutionary ethics, Swinburne illustrates the degree of imagination required to do so: “A human race which is clever enough to have a morality will be too clever to have for long that apparently incoherent morality which will give the best advantage in the struggle for survival. It will, however, be clever enough to survive despite its more coherent morality being less than perfectly suited for survival” (139ff). He cites the similar view of Peter Singer, \textit{The Expanding Circle} (New York: Farrar, Straus & Giroux, 1981).


\textsuperscript{23} We should not be surprised then that Robert Wright’s conclusion extends the problem of altruism to the problem of love. He concludes that love should be doubted, because “After all, love, like hate, exists only by virtue of its past contribution to genetic proliferation”; Wright, \textit{The Moral Animal} (New York: Pantheon, 1994) 340-1. Idea that ethical sensibilities are attributable to natural selection is an idea that can be traced back at least as far as Darwin: “the following proposition seems to me in a high degree probable—namely, that any animal whatever, endowed with well-marked social instincts,... would inevitably acquire a moral sense of conscience, as soon as its intellectual powers had become as well, or nearly as well developed as in man”; Charles Darwin, \textit{The Descent of Man}, second edition (London: John Murray, 1875) 98.
The vexing problem of altruism

This fascination with altruism is common for proponents of the shift from ethics to ethology. After all, it appears to fly in the face of the self-evident truth claim that self-interest is the foundation for moral behaviour. How can self-sacrifice be consistent with the propagation of the gene pool? The immediate answer, however tautological and patently superficial, is that it must likewise contribute to the propagation of the species. Thus, there is a stream of thought in contemporary moral philosophy which would seek to explain altruistic behaviour as an offshoot, or “spandrel” perhaps, of social instincts. Taking a cue perhaps from Sobel and Wilson who would draw ethical insights from the study of parasites in ant brains, other modern moral philosophers have gone on to explain altruism as a social behavior required to gain an advantage in the competition of species. Daniel Friedman, for one, aims to explain the development of the market society on the principles of survival drawn from evolutionary theory, and thereby demonstrate that whatever morality is to be found in such a society’s relationships is an outgrowth of merely evolutionary forces of natural selection. He begins his case by suggesting that human moral instincts toward altruism are derived from the same evolutionary forces that cause slime mold amoebas to clump together into mounds in order to help the lucky ones who inadvertently make it to the top of the pile to spread their genes by casting their spores to the breeze.24 This might be merely whimsical were it not for Friedman’s scholarly sincerity in building the case that the rise of the modern global market is essentially a more sophisticated instance of the same evolutionary principles.25 This becomes a troubling thought if it implies that the market economy and slime mold are the moral equivalents of precisely the same genetic instinct to create a pile in order that some individuals might make it to the top of the heap.

At least Andrew Carnegie had more sense than that, when he made it to the top of the heap. He took it as a moral duty, affirmed in “the true Gospel concerning Wealth”, to spread the riches in order to bring the Peace on earth, proclaimed in the biblical accounts of the

25 Friedman aims to understand in this monograph, the rise of the social mechanism of markets and to discover their “moral roots” and to “trace the tensions deep beneath modern financial markets.” Morals and Markets, 95.
Messiah’s birth.\textsuperscript{26} That he did so without deviating one jot or tittle from the self-evident truth claims of Individualism is more a problem with his theology than with his sentiment.

**The elusive admixture of self-interest and altruism**

We can now begin to see the fundamental difficulty in attempting to sort out the morality of the market economy in terms of self-interest and altruism. These concepts have little chance of being reconciled unless they are grounded in a common understanding of what how morality is to be conceived. Our brief survey of prevalent attitudes on the subject shows that altruism can even be explained as an artifact of self-interest, and with no separate moral force of its own. In this view, which has become a popular stream of thought in present-day Western culture, altruism is no more or less than an ethological description of the outcomes of the behaviors of social animals, for example, human beings.

This is the logic of the market at work. Meaning is derived from the “commodity fiction”, and that fiction has become our reality if we are to subscribe to the principle of *homo oeconomicus* as the fundamental description of humanity. The explanatory power of the idea of the market society and the logic of the market which pertains to freedom of choice in that context have become the default sources of moral meaning. It is as if the market has replaced God as the *sumnum bonum*. M. Douglas Meeks has a keen eye for what has happened to our concept of morality within the modern market economy:

Market forces, then, are said to be automatic, unconscious, mechanistic, and unintended. As such, the market can take the place of state and church and even the family... Naturally, the God concepts that provided these institutions with authority systems could also be replaced. The coherence of the system is derived not from tradition or command but from the unintended outcome of self-interested self-guided activities of individuals. Taking on the character of necessity and inevitability, economic law could seemingly fulfill all public functions that “God” had previously performed. The market, were its law obeyed, promises a free and harmonious way of integrating and coordinating society without authority and coercion.\textsuperscript{27}

This analysis of the popular premise of morality in the market society highlights the fundamental challenge of solving the dilemma of finding the proper admixture of self-interest


\textsuperscript{27} M. Douglas Meeks, *God the Economist: The Doctrine of God and Political Economy* (Minneapolis: Fortress Press, 1989), 51f. Harvey Cox makes the same point with biting and convincing satire, pointing out that “the religion of The Market has become the most formidable rival [to traditional religions], the more so because it is rarely recognized as a religion.” *Market as God: Living in the new Dispensation*, *The Atlantic Monthly*, March 1999, Vol. 283, No. 3, pp. 18-23.
and altruism. If altruism is to have any significance in its own right, and not present merely
the ethological movements of self-interest when multiplied to the level of society, ethics must
adopt a theological perspective. Charles Taylor demonstrates this point with exquisite
precision and beauty as he describes the new version of Individualism in terms of the
“buffered self”; that is, a self buffered from the fideistic constraints of a greater spiritual
reality. This modern inclination “to conceive ourselves as free individuals first”, rather than
to locate self-understanding of identity and morality within the greater reality of an
“enchanted universe” as the source and context of meaning, has profoundly and irrevocably
altered our understanding of the moral order. Taylor refers to this revolution as “the great
disembedding”, because our concepts of self and morality are no longer infused with
meaning by virtue of being embedded within a greater spiritual reality.

The modern affirmation of the self has become a foundational concept in the
practice of both theology and philosophy, as moral philosophy and theological ethics
have moved in the direction of voluntarism. Charles Taylor describes this movement
with admirable precision as he traces the demise of the “ontic logos” as a defining
concept for theology, philosophy and morality. Taylor offers a sweeping
explanation of the shift in intellectual currency which brokered the ascent of the
subjective self, and the corresponding decline in importance of the objective cosmic
order as a foundational ontological concept. No longer could the cosmic order be
conceived so readily as the veritable embodiment of Ideas, once the modern self rose
to exert its newfound power of epistemological priority over everything, and to posit
the individual as the creator of meaning and value through imagination, intellect and
will. Hence, the existential self of Kierkegaard’s Either/Or serves, emblematically at
least, to usher in the virulent strain of voluntarism which derails theological ethics
and moral philosophy.

Echoing O’Donovan’s theme, Taylor documents the shift in moral philosophy
which occurs when the glory of God’s goodness, as embodied in the created cosmos,
loses priority as an objective, ontological reality. Taylor also diagnoses peremptorily
that this loss of ontological emphasis proceeds not merely out of shifting
metaphysics, but also from the simultaneous loss of an ontic relationship with
supernatural truth, whether that truth be witnessed in the ontic reality of the platonic
Ideas per se, or in the supernatural reality of religious faith. Hence, Taylor’s apt

29 Taylor, A Secular Age, 131ff. O’Donovan respects the conception of the Tudor Reformers regarding the
division of church and state. In contrast, “the modern demarcation of a whole secular sphere of life, where the
word of God does not rule as of right but finds access only indirectly, shaping the conscience of certain
participants” may well “do more violence to the wide-ranging claims of the apostolic gospel than did the
mediaeval and Reformation attempts to abolish the line of separation entirely.” 39 Articles, 99-102.
30 Charles Taylor, Sources of the Self: The Making of the Modern Identity (Cambridge: Cambridge University
31 Taylor sums up the transfiguration of reality wrought by the voluntarist notion of self: “In Either/Or
Kierkegaard lays out the idea of an aesthetic transfiguration of life, only to trump it with a higher form, the
ethical. …[T]he ethical man truly chooses himself. He chooses himself infinitely… [A]ll finite things get their
value and significance from this choice”, Sources of the Self, 449-50.
phrase “ontic logos” designates the focal point of meaning which is lost as the modern self rises to epistemological preeminence: “All this changes when we disengage from the world, and when therefore theories of ontic logos cease to be meaningful for us”.  

If we are to arrive at any other basis for morality other than the materialistic inclinations of *homo oeconomicus*, we must return to the epistemological premise of orthodoxy that God exists, and all meaning is to be sought in light of that supernatural reality.

**The enigma of theological ethics**

Of course this acknowledgment of faith introduces another vexing problem for moral philosophy—revelation. Here we encounter the “enigma at the heart of theology”, as Barth said.  

“This is the irreducibly paradoxical situation of theology” as Balthasar puts it, “In the case of revelation, the Word of God is both “object in the objective order (*fides quae*) and its principle for knowing in the subjective order (*fides qua*).” In other words, God is the ground of being and knowing. The ontic and noetic aspects of our faith cannot be separated. Our knowledge of God is not the epistemological exercise of a self-determining ego, but rather an encounter with the triune God of grace. The existence of God is not determined by our ability to know God.

This is why the analogy of faith, the concept of *analogia fidei*, emerges as a crucial presumption in our effort to arrive at a basis for understanding moral order. If morality is to amount to more than the ethology of self-interested individuals, then it will be understood within the context of faith. For an evangelical ethics, faith will of course result in a Christological view of the personal capacity for moral knowledge. As Jüngel discovered in his search for a *Christological* natural theology: “We are, indeed, working with a presupposition here.” Precisely. This is the presupposition which makes evangelical ethics evangelical. While this presupposition entails the miracle of faith, it does not imply that

32 Taylor, *Sources of the Self*, 187, cf. 287. Taylor dates the demise of the “ontic logos” from Descartes’ rejection of teleological order, 144, which echoes another of O’Donovan’s themes. Though Taylor steers clear of the theological significance of *Offenbarungsmächtigkeit*, his analysis nonetheless points perceptively to the mutual implications of ethics and anthropology (which he expresses here in terms of “identity”), as he concludes that “being a self is inseparable from existing in a space of moral issues, to do with identity and how one ought to be”, 112; cf. 521.


35 Jungel, ‘*Extra Christum*…’, 180.
theological knowledge is either impossible or inaccessible. We make contact with the source of the moral order when we encounter Christ in the miracle of faith.

Barth states as much in his definition of “the real point of contact” for ethics—

The image of God in man of which we must speak here and which forms the real point of contact for God’s Word is the rectitudo which through Christ is raised up from real death and thus restored or created anew, and which is real as man’s possibility for the Word of God. The reconciliation of man with God in Christ also includes, or already begins with, the restitution of the lost point of contact. Hence this point of contact is not real outside faith; it is real only in faith.  

We can establish it only as we stand fast in faith and its knowledge, i.e., as we turn away from ourselves and turn our eyes or rather our ears to the Word of God. As we hear it, we have the possibility of hearing it.  

“Turn” and “hear” are the effective verbs in this understanding. These are personal actions which involve the person-as-knower in the event of moral knowledge. This follows sensibly from the ineluctable mutuality of ratio cognoscendi and ratio essendi. Knowing and Being are combined in the reality of God as self-demonstrating event, knowledge of which is grounded in personal participation in the concurrent movement of faith, guided by the Holy Spirit. Knowing-as-Being leads therefore to Knowing-as-Acting through a person’s participation in the process of knowledge. This is the epistemological corollary to the ontological actualization of being-as-knowing. In this sense of understanding what it means to be a person-as-becoming, we see that the meaning of the self is grounded in the self-determining event of God as eternally “Becoming-Who-I-Am”. Knowledge is thus not an objectifiable reality per se, for it has no existence outside the person-as-becoming, but is rather a consequence and aspect of a person’s relationship with the source of knowledge. What does this mean for our understanding of the person as a knower of moral knowledge?

**Metanoia & moral knowledge**

*Turn* and *hear*. These are the essential verbs for knowledge of God, and hence for theological knowledge of the moral order. In the New Testament *metanoia* (μετάνοια) is of

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36 CD I/1, 239.
37 CD I/1, 236.
38 This language echoes the parabolic teaching of Jesus and the prophets [Matt. 13:10-17, Mark 4:12, Luke 8:10, John 12:40; cf. Isa. 6:9-10]. The function of the parables is to bring about a transformation in understanding—to *turn* and to *hear*.
39 Michael Polanyi develops this concept in *Personal Knowledge*; he puts it aptly: “Knowledge is an activity which would be better described as a process of knowing” (The emphasis is mine.) *Knowing and Being: Essays*, ed. Marjorie Grene (Chicago: Univ. of Chicago Press 1969) 132.
40 Hence, Jüngel’s title, *Gottes Sein ist im Werden.*
course the word which conveys this sense of turning, or repenting, in the context of faith, truth and discipleship. Metanoia is the event, action and process in which a person’s understanding and knowledge are transformed.41 This event is the existential human reality which corresponds to the epistemic miracle of faith in which the human person participates in the self-revelation of God. Metanoia thus refers to the transformation of the human person in the actualization of moral knowledge as an epistemic event. Metanoia is the human side of what it means to “participate in Christ”—a continual event in the life of faith. This is a continual relationship, and not a once-and-for-all moment which a person can set aside and “get on with life”.

The epistemic event of metanoia negates the possibility that morality, whether pertaining to self-interest or to altruism, can be located in either the concept of homo oeconomicus, or in the concept of a natural moral law which is woven into the fabric of the market society. Transformation lies at the heart of moral order. This is the characteristic of an evangelical ethics which bears witness to Christ. Herein lays a presumption which we cannot ignore without missing altogether the challenge of sorting out the ethical constraints and functioning of the market economy. This tension at the heart of economic ethics corresponds precisely to the paradoxical tension of theological ethics in sustaining the paradoxical tension of human freedom and divine authority.

**Another way of doing business**

Now the conclusion of our inquiry into the premise of morality in the market economy becomes clear—if we are to arrive at Another Way of Doing Business, we must get there through another way of doing business ethics.

The answer is not to be found by building upon the presumption of homo oeconomicus, nor even upon any altruistic ideas of regulation, such as Adam Smith advocated, if those conceptions of altruism import any implicit presumptions of moral order or any innate human moral faculty of conscience grounded in non-theological ideas of reason, conscience and personality. Those concepts may be more easily reconciled with the way of evolutionary ethics, but they stray from the path of evangelical ethics. Ethics is not reducible to ethology.

41 Murray Rae says it well: “The result is that the knower is not left as she was but is transformed through the knowing process. The knower is made a new person under the impact of the new relation...”; Rae, “Incline Your Ear so that You May Live”: Principles of Biblical Epistemology’, in The Bible and Epistemology: Biblical Soundings on the Knowledge of God, eds. Mary Healy and Robin Parry (Milton Keynes, U.K.; Paternoster, 2007) 161-180, 161.
Something else is going on, something that cannot be explained in terms of human nature or the market society. Transformation lies at the heart of this new way of doing business ethics—a transformation grounded in the *metanoia* of encounter with the living God. This transformation pertains to every aspect of morality, in the market economy, in business, and in every walk of life.

If we define AWDB in terms of **Purpose, Practice and Partnerships leading toward service toward the goal of human flourishing, and creation of meaningful work**, then these concepts need to be interpreted in light of our thesis that morality derives from relationship in Christ, which is a transformational event. It is not enough to evaluate the goals of our business by the triple bottom line. Yes, those types of accounting are valuable and must be taught and enhanced; yet the purpose transcends the accounting. Thus, human flourishing is to be construed in terms of relationships which bear witness to this greater reality. We must ask how our business serves to cultivate those relationships which bring transformational meaning into people’s lives. Similarly, meaningful work is to be construed as that which makes us more *human*.

**Appendix: Examples of Moral Business Practice & Economic Policy**

Evangelical ethics has a particularly important role to play in bringing light and life to the ‘dismal science’ of economics. A ‘natural’ ethic fails ultimately to provide a hermeneutic capable of transcending the limitations imposed by the economic concept of exchange of goods. So long as economics is defined in those terms, it will lack the decisive insight that the moral order is perfected not through the efficiency of the marketplace, but rather through the transformation of persons. An evangelical ethics, on the other hand, will recognize the transcendent, mysterious reality that the ultimate dignity of human life is not obtained through maximization of the natural capacities of the *humanum*, but rather, through participation in the life of Christ.⁴²

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⁴² Volf diagnoses accurately the reason that natural ethics fail inevitably to convey significance to theological transformation: “a theology of work cannot operate with an *evolutionist* understanding of social realities... A truly *new* creation can never result from the action of intrahistorical forces pushing history toward ever-superior states”; *Work in the Spirit* (1991: 84). Cf. his attention to the *transformatio mundi*; 79, 93-99.
Evangelical ethics thus provides the basis for moving beyond utilitarian, consequentialist understandings of economics which confine the discussion of ethics to the language of competing needs and cost-benefits analyses based upon material and psychological concepts of natural orders. There is a natural tendency “to think of everything as if it were in the market”, with the result that:

The market system flouts its own self-regulating laws, but, in fact, it cannot function without power external to itself and it does not reveal the potentially inhumane power on which it often depends.43

When left to its devices, constrained to evaluate social benefits without appeal to the transformation of persons at the heart of the moral order, economic theory will remain incapable of fulfilling its ultimate calling to maximize human dignity.44 This places an onus upon political systems to do justice by bearing witness to the greater reality of human transformation—a value which perennially falls outside the purview of the natural forces of the market. O’Donovan sums up the problem:

Excluding government from evangelical obedience has had repercussions for the way society itself is conceived. Since the political formation of society lies in its conscious self-ordering under God’s government, a society conceived in abstraction is unformed by moral self-awareness, driven by internal dynamics rather than led by moral purposes.45

Here is the crucial ethical issue which shapes the challenge of government in post-Christendom societies: evangelical obedience has become legislatively passé. The modern secular society has become an “acephalous organism” in O’Donovan’s acerbic insight. Being conceived in the abstract, with no concrete reality to define its moral purpose, there is no authority which holds it accountable.46 This is a society founded upon the abstraction of the “the liberal self”, detached from history as well as from “any claim upon the self other than the claims one has personally chosen.47

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44 “Without internal forms of solidarity and mutual trust, the market cannot completely fulfil its proper economic function. And today it is this trust which has ceased to exist”; Benedict XVI Caritas in Veritate, 35.
46 The Desire of Nations, 246f.
47 William H. Willimon notes the fiction implicit in this notion, because the self does not exist in abstraction; “Preaching in an Age That Has Lost Its Moral Compass” (1995: 23).
As with government, so also the marketplace, which serves oftentimes as a proxy for governmental power, sometimes usurping its mandate. The moral dereliction of an acephalous society tends to be displayed most brazenly in the economic power of the secular global marketplace and the disruptions ensuing from the abuse of that power. Thus, O’Donovan sees correctly the ethical blindness of “liberal technological society, which functions like a computer constantly to extend the scope of its own operations in obedience to no rational purpose.”

Ethics based upon the transformation of persons will bear witness to the transforming power of self-giving love which appears as a gratuitous interruption in the naturalistic metrics of economics-as-science. Concrete illustrations of gratuitous economics—the “new economics of grace”—can be found throughout the Bible. As we have seen above, when ethical discourse is confined to the realm of abstract principles (even principles which correspond to “moral bricks”) the resulting doctrines of theological anthropology and morality will fail to realize the grace of evangelical truth.

In keeping with these conclusions, we may sketch a few avenues for further pursuit of an evangelical understanding of business ethics:

1. The power of the marketplace can be used for personal transformation by placing a value on human dignity defined with respect to the relational and communal identity gained through participation in Christ. Even when Christian witness is ruled out by the secular norms of post-Christendom society, the values of interpersonal relationship, community and transformation may be lifted up as transcendent norms. This provides guidance to public policy as well as to corporate strategy. The alternative is to confine business goals to the realm of

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48 The Desire of Nations, 246-7. Society thus “presents itself as a ‘secular’ reality” but is not; that is a mere illusion, a “false self-consciousness” (247), for every issue has theological significance. O’Donovan goes on to argue that the result of this post-Christendom trend is to define the role of the government in terms of protecting individual ‘rights’ (247f). For this reason he argues against the viability of individual ‘rights’ as a guide to either justice or evangelical ethics. Wolterstorff offers a good critique of O’Donovan’s apothegm: Natural right but no natural rights (DN, 262); Justice: Rights and Wrongs (2008: 31).


50 A short list would include manna and quail, gleaning, Jubilee, the fourth commandment, and covenant; e.g. Ex. 16:13ff; 20:8-11; Lev. 19:9, 23:22, 25:8-27:24; Deut. 10:19, 24:21, Matt. 25:38-45.

51 O’Donovan gives a good example of the moral myopia which results: “In Britain the issue that effectively roused public opinion in recent decades was not … prisons … abortion… crisis of Third-World debt or nuclear deterrence; it was the imposition of a new form of local government taxation”; DN, 271.
secular concepts of the *humanum*, which invariably presses in the direction of subjugation of communities and individuals.\(^{52}\)

2. Business decisions can bear witness to the reality of gratuitous economics, which yields unanticipated benefits for society. Again, we see the importance of community and relationship which provides the matrix in which such benefits may be realized. For example, the efforts of Merck to cure River Blindness, against any clear profit motive, have created a transforming effect throughout their organization, their supply chain, and the wider world.\(^{53}\)

3. In the discipline of organizational behavior, business ethics can place a value on the potential for the community of work to transform natural structures that might otherwise neglect the reality of human dignity as beings-in-communion.\(^{54}\)

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\(^{52}\) As an example of a secular corporation focused on personal transformation, we can cite AES, the multinational energy services company; Dennis Bakke, *Joy at Work* (2005).

\(^{53}\) Both the Merck Corporation and the United Nations carry details of this case on their websites: [www.merck.com](http://www.merck.com) (MECTIZAN® Donation Program) and [www.un.org](http://www.un.org).

\(^{54}\) Several real-life examples are documented in Bo Burlingham, *Small Giants: Companies That Choose to Be Great Instead of Big* (2005).