



# *Economics, Theology and Religion Newsletter #2*

*Erasmus Economics & Theology Institute*

## *TABLE OF CONTENTS*

### **New Issues**

*Journal of Economics, Theology and Religion* 1/1 (March) □

*Journal of Economic, Management and Religion* 1/2 (December 2020) □

*Journal of Management, Spirituality and Religion* 18/1 (February) □

*Christian Business Academy Review* 16/1 (February) □

### **New Articles**

Calvin and the Ban on Usury  
*Cornelis van der Kooi*

Religion and Commerce in Southeast Asia  
*Barbara Watson Andaya*

The Effect of Local Religiosity on Financing Cross-Regional Entrepreneurial Projects Via Crowdfunding  
*Francesca Di Pietro & Francesca Masciarelli*

The Impact of Islamic Feminism in Empowering Women's Entrepreneurship in Conflict Zones: Evidence from Afghanistan, Iraq and Palestine  
*Doaa Althalathini, Haya Al-Dajani & Nikolaos Apostolopoulos*

Religion and Unproductive Entrepreneurship: The Role of Risk Aversion  
*Yi Zhang & Chun Liu*

The Theodicy of Growth: John Rawls, Political Economy, and Reasonable Faith  
*Stefan Eich*

The Mediating Role of Values in the Relationship between Religion and Entrepreneurship  
*Cornelis A. Rietveld & Brigitte Hoogendoorn*

The Effect of Corporate Environmental Responsibility and Religiosity on Corporate Cash Holding Decisions and Profitability: Evidence from the United States' Policies for Sustainable Development  
*Chuluunbat Tsendsuren, Prayag L. Yadav, Seung Hun Han & Seongjae Mun*



Productivity in Religious Orders: A Management by Values Applied Approach  
*M. Ángeles Jurado-Caraballoa & Mercedes Rodríguez-Fernández*

Analysis of Religious Economy and its Participation Rates in Nigeria  
*Ottuh Peter & Eboh Akpotor*

### New Books

*Business Ethics and Catholic Social Thought*  
Daniel K. Finn (ed.)

*Thomas Aquinas and the Civil Economy Tradition. The Mediterranean Spirit of Capitalism*  
Paolo Santori

*The Spectral Body: Theology and Economy in Dostoevsky and Melville's Fiction*  
Max Gordon

### Upcoming Conferences

ASREC Graduate Student Workshops

### Call for Papers

ACE Call for Papers for ASSA 2022



## New Articles

### *IN: CHURCHES AND MORAL DISCERNMENT, VOL 2, LEARNING FROM HISTORY*

#### **Calvin and the Ban on Usury**

Cornelis van der Kooi

How did Calvin in the 16th century come to a different opinion on usury? It was an old and well-established tradition in church and society that usury or asking rent for a loan was to be rejected. What brought Calvin to his remarkable reinterpretation? In this short contribution I want to give a rough overview of the tradition, subsequently I will present Calvin's exegesis and hermeneutic on the law in general and his reinterpretation of passages related to usury. I will close with a few and brief conclusions.

### *IN: OXFORD RESEARCH ENCYCLOPEDIA OF ASIAN HISTORY*

#### **Religion and Commerce in Southeast Asia**

Barbara Watson Andaya

Southeast Asia includes eleven countries, although this contemporary configuration disguises significant differences, especially in regard to religion and economic status. Theravada Buddhism is dominant in the "mainland" countries of Myanmar (Burma), Thailand, Cambodia, and Laos, while Vietnam is influenced by the religious and intellectual traditions of China, including Mahayana Buddhism, Daoism, and Confucianism. In the "island" areas (Philippines, Malaysia, Singapore, Brunei, Indonesia, and Timor Leste/Timor Lorosae), the dominant faiths are Islam and Christianity (the latter a majority in the Philippines, Timor Leste, and parts of the eastern Indonesian archipelago), with Bali retaining a localized form of Hinduism. There are also marked economic differences. Singapore and Brunei are among the world's richest countries, with Laos and Timor Leste among the poorest. Despite this diversity, a regional theme concerns the interaction between religious change and commerce. A chronological and comparative approach that moves from early times to the present day shows that ideas about relationships to the cosmos have developed in tandem with expanding commerce. Although this relationship has never been static, the aim of establishing a beneficial interaction with the supranatural world remains a basic human goal. During the 1st millennium CE the rise of new polities, combined with increasing overland and maritime trade, encouraged the adoption and adaption of incoming religions, notably Hinduism and Buddhism. The 13th century marks the beginning of a new phase with the spread of Theravada Buddhism on the mainland and Islam and subsequently Christianity in the island world. The commerce-religion nexus, though still present, is less evident from the mid-19th century to World War II, when all of Southeast Asia except for Thailand was under colonial control. From the late 20th century transnational trade has allied with religious resurgence, generating new and dynamic forms of engaging with non-human forces.



## *JOURNAL OF BUSINESS ETHICS*

### **The Effect of Local Religiosity on Financing Cross-Regional Entrepreneurial Projects Via Crowdfunding**

Francesca Di Pietro & Francesca Masciarelli

This paper aims to develop a better understanding of the influence of the social environment in which entrepreneurs reside on the success of the crowdfunding projects they propose. Specifically, this study investigates on the importance of local religiosity on the propensity to support cross-regional crowdfunding projects. We theoretically discuss and empirically document, using a dataset of 5841 contributions on three Swiss reward-based and donation-based platforms, that local religiosity affects cross-regional resource flows by creating social interactions and enhancing trust. Furthermore, we find that cross-regional resource flows are more likely between regions sharing the same primary religion—whether Protestant or Catholic.

### **The Impact of Islamic Feminism in Empowering Women's Entrepreneurship in Conflict Zones: Evidence from Afghanistan, Iraq and Palestine**

Doaa Althalathini, Haya Al-Dajani & Nikolaos Apostolopoulos

The impact of Islam upon women's entrepreneurship in conflict zones is woefully absent from the entrepreneurship literature. This is due to the absence of published scholarship about this context rather than the absence of Muslim women's entrepreneurship there. To address the gap in the literature, we offer a contextualized analysis and contribution by adopting an Islamic feminism lens and explore how Islamic feminism empowers women entrepreneurs and their entrepreneurial activities and behaviours in conflict zones. We argue that Islamic feminism is a process of 'ijtihad' shaping the business ethics of Muslim women entrepreneurs operating in conflict zones and removing the traditional, patriarchal, colonial and other cultural layers with which Islam has been veiled. The findings from the 16 Muslim women entrepreneurs operating in Afghanistan, Iraq and Palestine and participating in our study reveal that Islamic religiousness plays a critical role in shaping the Muslim women's entrepreneurial behaviour and their ability to endure the hardships of living in a conflict zone. Within all three research contexts, the participants interpreted and practiced their Islamic religiousness in ways consistent with Islamic Feminism principles and that deviated from patriarchal Islam dominating their conflict zones. This paper contributes to the growing research areas on Islamic feminist foundations for business ethics and women's entrepreneurship in conflict zones by exploring how Islamic feminism empowers women entrepreneurs in Muslim conflict zones.

## *EUROPEAN JOURNAL OF POLITICAL ECONOMY*

### **Religion and Unproductive Entrepreneurship: The Role of Risk Aversion**

Yi Zhang & Chun Liu

Institutions can shape the reward structure in the economy and thereby influence the allocation of entrepreneurship between productive and unproductive activities. This paper investigates the effect of religion, one important component of informal institutions, on unproductive entrepreneurship. Using a nationally representative survey on private enterprises in China, we find that religious entrepreneurs devote more of their resources, both in terms of money and time, to unproductive activities such as building social relations than their nonreligious peers. We further find that religion plays a significant role only in regions with weak regulatory institutions and/or for entrepreneurs vulnerable to institutional risks. Drawing on



the close link between risk-aversion and religion, our results suggest that religious entrepreneurs engage in unproductive activities so as to reduce institutional risks in their business operations.

*Keywords:* Religion, Allocation of entrepreneurship, Risk aversion

*JEL-codes:* L26, Z12, D72, P26

## *MODERN INTELLECTUAL HISTORY*

### **The Theodicy of Growth: John Rawls, Political Economy, and Reasonable Faith**

*Stefan Eich*

Rediscovery of John Rawls's early interest in theology has recently prompted readings of his philosophical project as a secularized response to earlier theological questions. Intellectual historians have meanwhile begun to historicize Rawls's use of contemporary philosophical resources and his engagement with economic theory. In this article I argue that what held together Rawls's evolving interest in postwar political economy and his commitment to philosophy as reconciliation was his understanding of the need for secular theodicy. In placing Rawls in the intellectual context of a postwar political economy of growth as well as in relation to the history of political thought, including his reading of that history, I defend two claims. First, I argue that Rawls's philosophical ambition is best understood as providing a secular reconciliatory theodicy. Second, I suggest that Rawls's theodicy was initially rendered plausible by the economic background conditions of economic growth that were fractured and fragmented just as Rawls's book was published in 1971. This divergence between text and context helps to account for Rawls's peculiar reception and his own subsequent attempt to insist on the applicability of his theory under radically altered circumstances.

## *SMALL BUSINESS ECONOMICS*

### **The Mediating Role of Values in the Relationship between Religion and Entrepreneurship**

*Cornelis A. Rietveld & Brigitte Hoogendoorn*

An emerging stream of literature argues that values entail a prime channel through which belonging to a religion and entrepreneurship are related. In this study, we introduce Schwartz's theory of basic human values to theorize on the role of values in the reciprocal relationship between belonging to a religion and entrepreneurship. Based on the motivational goal of each value, we argue that the value priorities of people belonging to a religion are opposite to these of entrepreneurs. We also go beyond earlier studies highlighting values as a prominent channel through which religion and entrepreneurship are connected by providing empirical evidence about the extent to which values mediate this relationship. By drawing on data from eight biennial survey waves (2002–2016) of the European Social Survey (32 countries), we show that individuals who belong to a religion prioritize values related to conservation higher than values related to openness to change, whereas the opposite is true for entrepreneurs. This contrast in value priorities cushions the relationship between belonging to a religion and entrepreneurship. However, both those belonging to a religion and entrepreneurs prioritize values related to self-transcendence over those related to self-enhancement. These relationships are fairly constant across the major religions in Europe, but do depend on how actively people engage in a religion and the type of entrepreneurship.



## *SUSTAINABLE DEVELOPMENT*

### **The Effect of Corporate Environmental Responsibility and Religiosity on Corporate Cash Holding Decisions and Profitability: Evidence from the United States' Policies for Sustainable Development**

*Chuluunbat Tsendsuren, Prayag L. Yadav, Seung Hun Han & Seongjae Mun*

We use religious background as a proxy for local risk-taking attitudes and investigate whether geographical variation in religion affects corporate environmental responsibility (CER) with regards to corporate cash policies and profitability. We conjecture that the presence of environmentally conscious firms would be higher in areas with more Catholics relative to Protestants. Study data comprises of the largest publicly traded U.S.-listed firms of Newsweek's green rankings of 2015-2016. We use green scores and the concentration of Catholic to Protestant population ratio as proxies for CER and religiosity, respectively. We provide robust evidence that corporate environmental practices attenuate the demand for precautionary cash reserves to protect firms from unforeseeable risks. Furthermore, environmentally conscious firms located in high risk-taking areas gain financial stability and improve profitability, strengthening their CER. The findings provide contributions to risk management literature and document the importance of firms' efforts to harmonize social behavior for sustainable financial policies.

## *HELIYON*

### **Productivity in Religious Orders: A Management by Values Applied Approach**

*M. Ángeles Jurado-Caraballoa & Mercedes Rodríguez-Fernández*

In this theoretical-empirical study, we analyse work methodologies of Spanish Religious Orders, and their relationship with productivity, efficacy and efficiency. In the literature review we have compiled all the applicable theories. Amongst them, Management by Values stands out and has served as the framework for the hypotheses. To test the latter, we have obtained data from face-to-face surveys, obtaining 112 valid answers. Ordinary Least Squares and Logit Model have been proposed. A greater compromise of the individual with the organization generated greater values of productivity, and its higher value in the case of the female Orders when compared to the male Orders. The conclusions presented here only refer to the data of religious organizations of Málaga (Spain) that have been analysed. Future research should consider the changes brought about by the possible merger of the different Orders and the analysis of the social work of the Church through its non-profit organizations (Cáritas or Manos Unidas). This study can be translatable to profit-seeking organizations. If work methodology and coordinating tasks are appropriate for religious organizations, then they should also be beneficial for-profit companies.

*Keywords:* Management by values, Productivity, Work organization, Religious organizations

## *KIU INTERDISCIPLINARY JOURNAL OF HUMANITIES AND SOCIAL SCIENCES*

### **Analysis of Religious Economy and its Participation Rates in Nigeria**

*Ottuh Peter & Eboh Akpotor*

This paper is a socio-scientific analysis of religion. Its interest in religious economy stems from the enduring tension between theory in its abstract and applied forms. While the principles of religious economy provide a valuable framework for explaining religious change across



space and time, they have also proven to be pliable across the same lines of analysis. Doing so will promote more interdisciplinary collaboration and dialogue, and will help militate against the problem of parochialism within the social scientific study of religion. This research analyzes the rates of participation in religious economy using Nigeria's religious free-markets situation as a case study. The phenomenological and analytical methods were employed to accomplish the aim of this paper with the support of secondary data. The research reveals that the Nigerian religious markets are more as of today, competitive and participatory than in the 1960s. The paper concludes that adherents should popularize their religion, or exchange their religion only on the foundation of issues that can be defined rationally and of rewarding benefits. The paper recommends a state-free religious market in Nigeria that promotes religious diversity and freedom in order to maximize religious gains and profits - of which peaceful coexistence is inclusive.

*Keywords:* Analysis, Religious, Economy, Participation, Nigeria

## New Books

### ***Business Ethics and Catholic Social Thought* (Georgetown University Press, May 2021)**

Daniel K. Finn (ed.)

Can a religion founded on loving one's neighbor give moral approval to profit-seeking business firms in a global economy? What should characterize the relationship between faith and economic life? What can businesses, employees, and executives do to contribute to the common good and to make their practices and society more ethical? *Business Ethics and Catholic Social Thought* provides a new and wide-ranging account of these two ostensibly divergent fields. Focusing on the agency of the business person and the interests of firms, this volume outlines fundamental issues confronting moral leaders and corporations committed to responsible business practices. The book leads with interviews of three Catholic CEOs and the intellectual history of business ethics in Christianity before examining fundamental moral concerns regarding business: its purpose, autonomy, practical wisdom, and the technocratic paradigm. Contributing authors also consider management science, the motivations of business leaders, the role of luck in personal success, the traditional moral justifications for business, and more. These contributions bring new depth to the application of Catholic social thought to business ethics during a time when economic crisis demands a reevaluation of business and its contribution to society.

### ***Thomas Aquinas and the Civil Economy Tradition. The Mediterranean Spirit of Capitalism* (Routledge, May 2021)**

Paolo Santori

Delving into the history of economic thought, this book presents a picture of the Mediterranean spirit of capitalism, a tradition that has its protagonists in Thomas Aquinas and the eighteenth-century civil economy, and seeks to understand its presence and relevance for contemporary societies. The book argues that it is reductive to attribute to the 'Protestant ethic' the different formations of capitalism in the Western world. Instead, it is vital to acknowledge the differences in the ways in which the market is lived, enterprises are created and conducted, and civic life in general is understood in different regions. This thought-provoking study demonstrates that in Southern Europe, the legacy of Aquinas and the civil economy adds different terms to those recurring in classical and neo-classical economy: common good, reciprocity, virtue, public trust, mutual assistance, and public happiness. It is these ideas of a market as a place for mutual assistance which can be said to characterize the Mediterranean



spirit of capitalism. *Thomas Aquinas and the Civil Economy Tradition* will be of interest to advanced students and researchers in the history of economic thought, economic philosophy, Christian ethics, and moral theology.

***The Spectral Body: Theology and Economy in Dostoevsky and Melville's Fiction* (dissertation, Northwestern University, March 2021)**

Max Gordon

This dissertation examines the intersections and tensions between religion and economy in Dostoevsky and Melville's fiction. I argue that Christian theology of the body—as the site of both salvation and economic production—is at the center of their concern. These two profoundly theological writers were, moreover, unaware of each other, and, moreover were immersed in two different religious traditions with very different attitudes toward capitalist development in the nineteenth century: American Protestantism and Russian Orthodoxy. Despite this, there are uncanny parallels between them: comparing them reveals that, despite their ostensible differences, both wrestled with the same economic metaphorical underpinnings of Christianity, e.g. sin as debt, salvation as redemption, faith as credit. These economic metaphors are often, though not exclusively, centered on the body: the crucified body of Christ as a “ransom payment” for human sin is, as Saint Paul writes, a sort of debt transferred onto our own bodies, which are, therefore, not truly “ours.” Both Dostoevsky and Melville have characters who perceive material, embodied existence itself as a sort of divine or cosmic debt. One of the uncanny parallels between Melville and Dostoevsky is their concern with “spectral bodies” or “spectral flesh”—a paradoxical sense that material flesh encloses or coincides with its own ghost-like negation. My second and third chapters are largely devoted to this phenomenon. Both writers created characters who are caught somewhere between material flesh and ethereal ghostliness, or torn between longing for ecstatic bodily human contact and disembodied transcendence, or spectral precisely in their fleshy materiality. I situate both writers in their respective religious traditions to demonstrate that this phenomenon of spectral flesh is an extension of theological attitudes toward the body coming into contact with the capitalist development in the nineteenth century. Both writers perceived that, under this emerging capitalist economy, flesh and bodies are always entangled in economic transactions which often reflect in unsettling ways the sacrificial dynamics and cosmic debt within Christian theology. They thus provide a way to think through and articulate the current tensions between capitalism and Christianity across nations and denominations.

### Upcoming Conferences

#### **ASREC Graduate Student Workshops** □

Association for the Study of Religion, Economics, and Culture

ASREC is holding two graduate student workshops on June 9 and 23, 2021! Each workshop will consist of three papers chosen by the selection committee (Vicky Fouka, Avital Livny, and Jared Rubin). The workshop will take place on Zoom. We are seeking proposals from graduate students whose work is at the intersection of religion/culture and political science, economics, or sociology. This event is aimed at giving critical feedback to students who plan to be on the job market in 2021-22. While we will consider applications from students not planning to go on the job market, preference will be given to students who are. Each paper will have one faculty discussant.

*Date/location:* 9 & 23 June, Zoom



## Call for Papers

### **ACE Call for Papers for ASSA 2022** □

The Association of Christian Economists invites members to submit scholarly papers for consideration for inclusion in the ACE sessions scheduled for the 2022 ASSA meetings. Submissions of individual papers, complete academic sessions or roundtables are invited.

*Deadline: 7 May*