

Editorial Introduction

Introduction to the Special Issue on the Economics of Religion

CLARA E. JACE

George Mason University

The riddles of God are more satisfying than the solutions of man.

– G. K. Chesterton¹

Religion and science—even social science—seem to have a tenuous relationship. One benefit of the economics of religion has been to show that this need not be the case. The economic approach, focusing on exchange and the institutions within which exchange takes place, bears fruit when applied to the observable aspects of religion: the production, specialization, and consumption of religious services; the organization of religious groups; and the incentive-compatibility of religious doctrines, for instance. A second benefit of this literature is that it brings economists to reckon with the limits of their discipline—How do we measure belief? How can we compare the various ways that religious belief informs political and economic behavior? Why is involuntary poverty to be avoided? Like cosmologists amongst physicists, economists studying religion occasionally find themselves shaking their heads in awe at the depth and breadth human experience.

In this short introduction, I want to take the chance to propose my explanation for why the economic approach is successful at clarifying so many features of the human experience, including religion. Most economists and religious people share three beliefs about the human person (and thus, how they are to be successfully modeled and/or converted). Though using different language, people are seen to be fallen, creative, and dependent.

1. **Fallen:** I refer to the fact that individuals are perpetually unsatisfied and must choose between competing ends. In economics this is the fundamental fact of scarcity or constraints, and for religion, this is finiteness or original sin.
2. **Creative:** I refer to the fact that individuals act in order to create more value, or good, or benefit than before.² In economics this may be called rational choice and entrepreneurship, and in religion this may be called free will.
3. **Dependent:** I refer to the fact that individuals acting alone are unable to fully satisfy themselves. In economics this is specialization and trade, and in religion, this is dependence upon God for existence or the sum of circumstances otherwise out of our control.³

I am pleased to present seven papers that apply the economic way of thinking to religious topics in unique and interesting ways. I am doubly pleased that these papers are not written by those with solely an economic training, nor from contributors at the same stage in their academic journey. Two papers are addressed more directly to the academic community: Bodeau (2020) and Klein et al. (2020). Three more papers deal explicitly with understanding religious events or social organizations with the tools of economics: Shera (2020), Bedi (2020), and Bose (2020). Finally, three papers deal with the relationship between the state and religious organizations: Thomas and Thomas (2020), Pakaluk (2020), and Jace and Herzberg (2020). May these fruits of our contemplation and labor be just the beginning.

NOTES

- 1 “Introduction to the Book of Job,” In *Defense of Sanity*.
- 2 It is worth noting that by rationality I mean purposive action; “Man’s most characteristic mark is that he never ceases in endeavors to advance his well-being by purposive activity,” as Ludwig von Mises writes in *Human Action*. A similar remark is found in Aquinas (ST Ia 82.1; QDV 3.22.12).
- 3 St. Catherine of Siena’s *Dialogue* puts this beautifully: “I [God] could easily have created men possessed of all that they should need both for body and soul, but I wish that one should have need of the other...Whether man will or no, he cannot help making an act of love” (I thank Catherine Pakaluk for calling my attention to this passage).