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The Religious Roots of Modern Economics: Historical Origins and Contemporary Consequences

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CLEMENS LECTURE SERIES 2011

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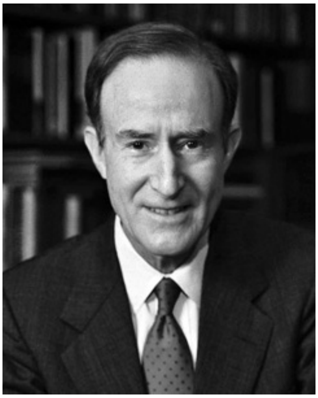

Benjamin M. Friedman is the William Joseph Maier Professor of Political Economy at Harvard University. He is the author or editor of more than a dozen books and has written more than a hundred scholarly articles on macroeconomics and monetary theory and policy. Most of his writing has aimed at economists and policymakers but some, such as his 2005 volume *The Moral Consequences of Economic Growth*, has also been widely praised by a wider public audience. He is a frequent contributor to publications for non-economists, including *The New York Review of Books*.

Professor Friedman has served in leadership and/or research roles in a wide array of organizations, from the Encyclopaedia Britannica and the National Council on Economic Education, to the National Bureau of Economic Research and the National Science Foundation, to the Congressional Budget Office and the Federal Reserve Bank of New York.

In addition, Professor Friedman is noted for the clarity of his lectures and his ability to render economics accessible to the non-expert.

The Religious Roots of Modern Economics: Historical Origins and Contemporary Consequences[1]

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The central proposition at the core of modern western economics – what economists sometimes call the "first welfare theorem" of economics – is that behavior motivated by no more than individuals' or firms' self-interest can, and under the right conditions will, lead to beneficial outcomes not merely for themselves but for others as well. Where did this proposition, and its centrality to modern economics, come from?

Most students of economics would point to Adam Smith, and in particular to his best-known book, the *Wealth of Nations*; and that answer would be right. But the further question it raises is where the thinking in the *Wealth of Nations* came from. What led Adam Smith to the insight that made him (as he certainly was) the father of the intellectual discipline we know today as economics? And what made his ideas the basis for western thinking about economics ever since?

The answer that I would like to put forward is a surprising one, and I believe it is especially interesting in two ways: first, for the unusual perspective it provides on where economics as an intellectual discipline comes from; and second, for the light it sheds on some otherwise puzzling aspects of our public discussion of economics, and our debate surrounding economic policies, today. The centerpiece of this story is the crucial transition in thinking about such matters that took place

[1] I am grateful to Daniel Finn for helpful comments on an earlier draft.

in the eighteenth century, mostly in England and Scotland, and that we today identify primarily with Adam Smith.

The commonly accepted view of economic life, in the English-speaking world as of the beginning of the eighteenth century, implicitly embraced several propositions quite unlike familiar thinking in the field today. To begin, there was no agreement that individuals had the capacity to perceive correctly what actions and pursuits were in their own self-interest. There was also no sense that their pursuing that self-interest, even if they perceived it correctly, would have any more broadly beneficial consequences; those acting on their own self-interest would presumably benefit no one but themselves. As a result, acting on one's own self-interest was viewed, as it had been for centuries, as a selfish act. In the standard vocabulary of, say, 1700, acting out of self-interest was a "vice," and the standard adjective applied to such behavior was "vicious."

The transition began with Bernard Mandeville's poem, *The Fable of the Bees*, first published to little notice in London in 1714, but then published in expanded book-length form, to a great deal of notice, in 1723. Mandeville clearly set out the basic insight that the pursuit of individual self-interest often leads to outcomes that are beneficial to other people as well. Why, then, do we not think of Mandeville, rather than Smith, as the creator of modern economics? The reason is that Mandeville displayed no sense of the mechanism behind his idea, nor any understanding of the conditions that made it so. In an intellectual world by then pervasively shaped by Newton, in which scientists and others looked for systematic explanations and mechanisms, Mandeville provided none. His only recourse was to refer, vaguely, to the role of "wise statesmen" who somehow made all this come about. For Mandeville, like those who preceded him, acting on one's self-interest was still "vicious" behavior. Indeed, he highlighted the point in the sub-title he chose for his book: *Private Vices, Publick Benefits.* What were those "private vices"? Merely actions taken in pursuit of a person's own self-interest.

The next half century saw an intense and widespread reaction to what Mandeville had written. In large part this reaction was a rejection, mostly on moral grounds, of the claim that acting in a "vicious" way privately could lead to "benefits" publicly. But much of the ensuing discussion displayed a fascination with Mandeville's insight. The interested intellectuals of the era understood that he was on to something, and that it was important. Two of the key participants in this debate were especially significant for how the story unfolded. One was Francis Hutcheson, professor of moral philosophy at the University of Glasgow, and Adam Smith's principal teacher. The second was David Hume, who was never able to attain a university appointment because of his notoriety as a publicly avowed atheist, but who nonetheless was Adam Smith's closest friend and principle mentor.

Smith's *Wealth of Nations* appeared in 1776, at the end of this half-century of commentary and debate spurred by Mandeville's *Fable*. Smith's argument went something like this: First, individuals do correctly perceive their self-interest, at least when they act as producers of goods and services. (Interestingly, Smith was dubious that people perceive their self-interest correctly when they act as consumers, but that further step was not necessary for the key proposition he sought to establish.) Second, the desire to pursue our self-interest is a fundamental aspect of human nature, no more to be criticized than the fact that we eat or breathe. Third, pursuing our self-interest, under the right conditions, does lead to outcomes that are beneficial more broadly than merely for ourselves. Fourth – and here is the reason economists look to Smith, rather than Mandeville, as the father of modern economics – the key condition that allows these more broadly beneficial outcomes to follow from actions motivated by mere self-interest is market competition. Unlike Mandeville, therefore, Smith met the standard of the Newtonian era in which he lived; he offered a systematic mechanism that, under the stated conditions, made privately self-interested behavior globally beneficial. Not surprisingly, with the *Wealth of Nations* the vocabulary of "vice" and "vicious" is finally gone.

Smith became an international celebrity in his own lifetime, and the *Wealth of Nations* quickly became an international bestseller. By the time of Smith's death, just fourteen years later, the book had gone through five editions in English not to mention numerous translations. By the early nineteenth century, Smith's ideas were broadly accepted, especially in Britain and even more so in the United States. They have dominated the discipline of economics ever since.

But why? What led Mandeville, and then Hutcheson and Hume, and finally Smith, to this very different view of the way in which human beings behave individually and interact socially? And what accounted for the astonishingly rapid acceptance of Smith's views?

A central part of the answer, I believe, was a powerful and quite fundamental transition in *religious* thinking that was then in progress in the English-speaking Protestant world. But why would religious thinking matter for this purpose? Were Smith and the other key figures in this set of intellectual developments religiously dedicated men, committed to bringing their religious principles to bear on their thinking about what we now call economics? They certainly were not. Hume, to repeat, was an avowed atheist. There is no evidence of religious commitment on Smith's part, or Mandeville's either. Hutcheson was committed to religious beliefs, but not in a way that plausibly motivated his other lines of thought. The story must be something else.

Why, then, would what was happening in *religious* thinking matter for the development of economics? Part of the answer is that religion was more pervasive and more central to the life of that time than anything we know in today's western world. Religion was co-terminus with politics; just a generation before Smith was born, England had had its "Glorious Revolution," which brought William and Mary to power. Religion motivated wars; a century before Smith's lifetime, the Thirty Years' War had wracked the continent, and the English Civil War had followed from the Puritan Revolution. When Smith was in his twenties, the Highland Rebellion of 1745 had swept across his native Scotland. Religion also determined government patronage, and especially so in Scotland. With the Act of Union, in 1707, the Scots had abolished both their parliament and their royal court, but they had preserved the independent Church of Scotland.

And religion was then a part of mainstream intellectual life in a way that it is not today. Edinburgh in the mid-eighteenth century was the center of the remarkable intellectual movement we now call the Scottish Enlightenment. One well-known feature of the Scottish Enlightenment was that the "literati" of the day (that was how they thought of themselves) frequently gathered in various dining and debate clubs. The most prominent of these during the 1750s and early 1760s was the Select Society. Of the Select Society's original thirty-one members, five were Church of Scotland clergymen – compared to only four professors, Smith included). When Smith and Hume dined out, therefore – "dinner" being the meal that took place at two in the afternoon – the colleagues with whom they were talking and debating routinely included clerics.

A second reason religious thinking influenced thinking about what later became known as "economics" is that religion in the English-speaking Protestant world was at this time undergoing a fundamental and highly contended transition: the movement away from orthodox Calvinism, which had reached its peak influence in the English-speaking world in the middle of the seventeenth century. Three elements of this transition bore particularly powerful implications for thinking about economic matters.

The first was a turn away from the Calvinist belief that all humans are "utterly depraved" as a consequence of the Fall – the fateful choice made by Eve, and then Adam, acting at the urging of the serpent, which led to their being not only banished from the Garden of Eden but also cursed by God. In the *Institutes of the Christian Religion*, his monumental work published in 1559, Calvin wrote of "the miserable ruin, into which the rebellion of the first man cast us …our own ignorance, vanity, poverty, infirmity, and – what is more – depravity and corruption."

"Let us define original sin," Calvin wrote: "a hereditary depravity and corruption of our nature, diffused into all parts of the soul."

Moreover, "this is not liability for another's transgression … we through his [Adam's] transgression have become entangled in the curse … not only has punishment fallen upon us from Adam, but a contagion imparted by him resides in us." Further, "even infants themselves … are guilty not of another's fault but of their own. For, even though the fruits of their iniquity have not yet come forth, they have the seed enclosed within them. Indeed, their whole nature is a seed of sin." "This perversity never ceases in us." "Our nature is not only destitute and empty of good but so fertile of every evil that it cannot be idle." "So depraved is his nature that he can be moved only to evil."

The same thinking echoed through the official creeds of Protestantism in England, including the *Thirty-Nine Articles of Religion of the Church of England*, promulgated in 1571, and the *Westminster Confession of Faith*, issued by the newly ascendant Puritans in 1647. Chapter VI of the *Westminster Confession*, titled "Of the Fall of Man, of Sin, and of the Punishment Thereof," states that "Our first parents … sinned, in eating the forbidden fruit… and so became dead in sin." "They being the root of all mankind, the guilt of this sin was imputed; and the same death in sin, and corrupted nature, conveyed to all their posterity." "From this original corruption, whereby we are utterly indisposed, disabled and made opposite to all good, and wholly inclined to do all evil, do proceed all actual transgressions."

One key shift in religious thinking during the late seventeenth and then the eighteenth century that was important for the birth of modern economic thinking, therefore, was the movement away from this belief that all human beings are utterly depraved, toward the belief that human beings instead possess an inherent goodness.

A second was the movement away from the belief in predestination: the belief that only a few people are saved and that nothing people do, either individually or collectively, can influence who is saved and who is not. As Calvin put it in the *Institutes*, "it comes to pass by God's bidding that salvation is freely offered to some while others are barred from access to it." "He does not indiscriminately adopt all into the hope of salvation but gives to some what he denies to others." Further, this selection by God is without regard to the choices and actions that individuals take: "God, utterly disregarding works, chooses those whom he has decreed within himself." "God of his mere good pleasure preserves whom he will."

Indeed, not only does God make this selection without regard to individuals' works, according to Calvin, but the selection pre-dates human existence. "God … established by his eternal and unchangeable plan those whom he long before determined … to receive into salvation, and those whom, on the other hand, he would devote to destruction." "With respect to the elect, this plan was founded upon his freely given mercy, without regard to human worth." "But by his just and irreprehensible but incomprehensible judgment he has barred the door of life to those whom he has given over to damnation."

Here too, both the *Thirty-Nine Articles* and the *Westminster Confession* closely followed the principles Calvin had laid down. According to Chapter III of the *Westminster Confession*, titled "Of God's Eternal Decree," "By the decree of God, for the manifestation of his glory, some men and angels are predestinated unto everlasting life; and others are foreordained to everlasting death." "Those of mankind that are predestinated unto life, God, before the foundation of the world was laid … hath chosen … out of his mere free grace and love, without any foresight of faith, or good works." "The rest of mankind God was pleased … to pass by; and to ordain them to dishonor and wrath for their sin, to the praise of his glorious justice."

The alternative belief, toward which the prevalent view among English-speaking Protestants was moving in the late seventeenth and then the eighteenth century, was that anyone can potentially be saved, and, most importantly for the implications for economic thinking, that individual choice and action – what we would call human agency – plays a role in this determination.

Finally, yet a third element of the movement away from orthodox Calvinism during this period was a shift in thinking away from the belief that the reason all humans exist in the first place is to glorify God, toward the belief that human happiness is also a divinely intended end.

Because this transition away from orthodox Calvinist belief is of such importance for understanding how the Smithian revolution came about, it is worth looking at what some of the proponents of the new thinking in this era (they would never have called themselves "anti-Calvinists") had to say. John Tillotson, a prominent "Latitudinarian" in the Church of England, was appointed Archbishop of Canterbury by William and Mary just three years after the Glorious Revolution of 1688 brought them to the English throne. About depravity, Tillotson wrote, "it is true that the nature of man is sadly corrupted and depraved; but not so bad as, by vicious practices and habits, it may be made … it is a great mistake to argue the common condition of mankind, from the descriptions that are given in the Scripture of the worst of men." He went on to say, "All unregenerate men are not equally devoid of a sense of God, and spiritual things; they … are very capable of persuasion."

Tillotson was just as clear in rejecting predestination: "It is the greatest and justest discouragement in the world, to all endeavors of repentance and reformation, to tell men that they can do nothing in it." "The end of exhortations and promises is not to declare to men their power, but their duty. But … it will be a hard thing to convince men that any thing is their duty, which at the same time we declare to them to be out of their power." "We affirm withal the necessity of God's grace hereto, and withal the necessity of our co-operating with the grace of God." "God cannot be properly said to aid and assist those who do nothing themselves."

John Taylor, a prominent dissenting Anglican clergyman whose writings attracted much attention in intellectual circles, voiced a similar opposition to the Calvinist view of depravity. In a treatise that received widespread attention not just in Britain but in the American colonies as well, written in 1740 (when Adam Smith was seventeen years old), Taylor argued that "Original sin is incompatible with Biblical teachings about god's goodness and justice." Why? Because "imputed depravity makes God the author of sin: it means he has sent his creatures into the world with insuperably sinful inclinations."

Taylor also echoed Tillotson's objections to the Calvinist view of predestination as a discouragement to moral improvement, at either the individual or the collective level: "If all men are by nature utterly indisposed, disabled, and … wholly inclined to evil … no man is obliged to attempt the reformation of the world; nor any, except Adam, blamable for whatever wickedness is in it." "Our natural facilities are made (and so were Adam's) by an act of God's absolute power, without our knowledge, concurrence, or consent." "But moral virtue … in its very nature implieth the choice and consent of a moral agent." "However God may provide and apply means to engage our wills to the observance of what is right and true, … we cannot, as moral agents, observe what is right and true, or be righteous and holy, without our own free and explicit choice."

John Wesley, an Anglican clergyman best known today as the founder of Methodism, was active mostly in England (although he also had a brief and not particularly successful ministry in the American colonies, in Georgia), and mostly during Adam Smith's lifetime. Wesley famously shared Smith's opposition to slavery. But he was also a bluntly outspoken opponent of the Calvinist view of predestination: "If this be so," Wesley wrote, "then is all preaching in vain. It is needless to them that are elected … And it is useless to them that are not elected … in either case, our preaching is vain as your hearing is also vain." "The doctrine of predestination is not a doctrine of God, because it makes void the ordinance of God … it directly tends to destroy that holiness which is the end of all the ordinances of God." "This uncomfortable doctrine directly tends to destroy our zeal for good works. And …

it naturally tends … to destroy our love to the greater part of mankind."

At times, Wesley became hyperbolic in his denunciation of predestination: "This doctrine ... hath also a manifest tendency to overthrow the whole Christian revelation … making that revelation contradict itself." "It is a doctrine full of blasphemy … the blasphemy clearly contained in 'the horrible decree' of predestination." "I abhor the doctrine of predestination." It is hard to see how engaged intellectuals living in the day of Smith and Hume, and regularly participating in conversation and debate in groups that included intellectually active clergy, would not have been exposed to this line of argument.

Finally, yet a fourth element in the contentious religious debates of this time that also plausibly exerted an influence in the development of economic thinking was separate from the move away from orthodox Calvinism per se but rather revolved around an eschatological question. The heart of this debate, for purposes of its influence on economic thinking, was the contrast between the view that progress in human society will not take place within this world, because this world will not improve in a meaningful way until after the Second Coming, and the view that progress in human society is not only possible but inevitable – and, further, is brought about in part by human agency. Moreover, according to the latter view, the human actions that help to improve the world thereby help bring the Second Coming nearer in time, and therefore have explicitly religious value.

This theological dispute is very much still alive today, and especially so within the United States. As the enormous popularity of the *Left Behind* novels, by Tim LaHaye and Jerry Jenkins, attests, many evangelical Protestant groups in America today adhere to the former, or "pre-millennial" view. At the same time, the latter, or "post-millennial" view has profoundly shaped American culture and American history. Within our lifetimes it was unmistakable in the nation's commitment to World War II (as it had been in World War I, and before that in the Civil War). It was even more transparent in the creation of the United Nations. Today we can see visible evidence of its presence in, for example, the Progress Sphere at Epcot. The ride through the Progress Sphere illustrates the history of progress in human communications, an application of science that has often taken on millennial overtones among British and American Protestants: for example, the development of the printing press followed immediately by issuing of the Gutenberg bible, the laying of the first transatlantic cable, and other similar events.

All of these religious questions – depravity versus inherent goodness, predestination versus a role for human agency, glorification of God versus human happiness, and pre- versus post-millennialism – were under widespread and contentious debate within the English-speaking Protestant world at exactly the time that Mandeville, Hutcheson, Hume and Smith were laying the foundations of modern economics. Because of the depth and fierceness of the controversy, it would have been impossible, in their circle, not to have paid attention. Most people spend little time thinking about facts that everyone knows and ideas that everyone accepts. Instead, what arrests our attention is what is under active and contentious dispute.

Even more telling for the purpose at hand, the new religious thinking that people like Tillotson and Taylor and Wesley were promoting, leading their world away from the orthodox Calvinism that had dominated it for more than a century, was strikingly congruent with the new ideas that Mandeville and Hume and Smith were introducing in their thinking about what we now call economics. The idea that individuals can make others better off merely by following the instincts of their own internal nature is clearly more compatible with the belief that humans have inherent goodness than with belief in their utter depravity. Smith's famous dictum that our inclination to trade in markets is an inborn human propensity, his straightforward claim that the ongoing effort to "better our condition" is likewise a fundamental aspect of human nature, and his argument that our different skills and desires (as well as the different resource allocations of different regions) make the world such that we are therefore better off to engage with one another economically, are all likewise suggestive that the world is arranged so as to promote human happiness. The same concept applies as well to different nations that are likewise able to produce different goods; while in the fifteenth century many people argued that God had placed the oceans on the earth to keep nations apart, by the eighteenth century people thought the oceans were there to promote trade (because by then they understood that it was cheaper to transport many kinds of goods by sea than by land). Above all, the idea of human agency and its possibilities for achieving a favorable spiritual outcome is congruent with the essence of the central conclusion that the actions taken by individuals, acting on their own – and, as Smith showed, under the right conditions – would make others better off as well.

Especially in the United States, the religious resonances of these economic principles were plainly at work in the subsequent reception and dissemination of the ideas Smith had laid out in the *Wealth of Nations*. Until the Civil War, most of the American authors of textbooks in what was then called "political economy" were either clergymen or other individuals closely identified with one or another Protestant denomination. The first person known to have delivered a university-level economics course in the United States was John McVicker, an Episcopalian priest who taught at Columbia. The author of the most widely used economics textbook in the ante-bellum United States, with more than 50,000 copies in print (an astonishing figure in light of how few then attended college), was Francis Wayland. Wayland famously served for nearly three decades as president of Brown; of course, given Brown's orientation then, he was a Baptist minister. The author of the principal competing textbook – written to advance a protectionist viewpoint, in contrast to Wayland's advocacy of free trade – was Francis Bowen. Bowen was a professor at Harvard; consistent with Harvard's character then, he was a committed and active Unitarian.

The same resonance between economic thinking and religious thinking was visibly at work in the post-Civil War period as well. In 1885 some fifty or so economists founded the American Economic Association, which quickly became (and remains today) the flagship membership organization of the economics profession in the United States. The writings of those involved in this endeavor make clear that this was also the beginning of the interpretation of economics as not just a descriptive science but also an ameliorative project, an effort to make the world a better place through the use of what was coming to be called "economic policy."

Many of the key figures involved in founding the American Economic Association had their intellectual roots in the Social Gospel movement that was capturing the allegiance of so many of America's mainline Protestant churches in the late nineteenth century. Richard T. Ely, the secretary of the new organization during its first seven years and later its president (and for whom the most distinguished lecture at the annual American Economic Association meeting is still named), was also co-founder of the American Institute of Christian Socialism. One of his first books was *Social Aspects of Christianity*. But even his economics textbook, *An Introduction to Political Economy*, plainly stated his view that "Christianity offers us our highest conception of a society … and in that conception sets us a goal toward which we must ever move." John Bates Clark, another member of the founding group and one of the new organization's early presidents (and for whom the most prestigious American prize in economics is now named), had planned to train for the Congregational ministry at Yale Divinity School but was persuaded by his undergraduate teacher at Amherst to go into economics instead. It is no accident that one of his first books in the field was titled, not "the *science* of wealth," or something similar, but rather *The Philosophy of Wealth*; the book clearly reflects Clark's strong religious interest. Other resonances of this sort went on well into the twentieth century.

Should this influence of religious thinking on economic thinking surprise us? At one level, no. We have many examples of economic thinking openly and self-consciously borrowing ideas from other lines of intellectual inquiry. "Gravity models" of international trade posit that the volume of trade between two countries, all else equal, is proportional to the total production of the first country multiplied by the total production of the second, and inversely proportional to the square of the distance between the two countries. As the name applied to such models recognizes, the underlying template is Newton's law of universal gravitation. To analyze financial crises like the one the United States experienced just a few years ago (and like what the Europeans are trying to avoid today), economists often use "contagion models" deliberately adapted from epidemiology. For analyzing how new technology moves from one country to another, economists often use "migration models" taken from demography. At one level, therefore, the notion that economics would import ideas into the discipline from other lines of thought should not surprise us.

At the same time, there is indeed something very surprising about this argument. Compared to the conventionally accepted view, it gives a very different account of the origins of economics as a free-standing intellectual discipline. The standard account is that economics emerged as a product of the eighteenth-century Enlightenment, with its emphasis on what we today call secular humanism, in contrast to the earlier, pre-Enlightenment understanding of a God-centered universe. But if the argument I am suggesting is correct – if the ideas of Mandeville and Hume and above all Adam Smith were importantly influenced by the shift in religious thinking away from orthodox Calvinism and toward post-millennialism – then that standard account is seriously incomplete. It fails not because Smith and his colleagues in this effort were religiously committed men (we know Smith and Hume were not), but because the religious debates to which they were continually exposed centrally influenced their thinking, and after their lifetimes were important to how economics developed and has come down to us today. To apply the label for this kind of intellectual influence offered by the distinguished Harvard economist Joseph Schumpeter more than a half a century ago, the religious debates of the era in which these economic thinkers lived formed part of their "pre-analytic vision."

Taking account of this historical influence of religious thinking on economic thinking also helps inform our understanding of a number of other aspects of contemporary economic thinking. Why, for example, do economists normally resist models in which initial conditions – whether a country is rich or poor, or whether an individual is born into one set of family circumstances or another – are determinative of final outcomes? One answer is that such models run counter to the resonance, which so much of economics since Smith reflects, with a non-predestinarian view of the world.

Understanding the influence of religious thinking on economic thinking also sheds light on a variety of otherwise puzzling aspects of our contemporary public discussion of economics, especially in America but elsewhere as well. For example, a recent Pew Foundation survey asked people, "Is it true that work leads to success in America?" Members of mainline Protestant denominations were about evenly divided in their view of the matter. But Evangelical Protestants tended much more toward the view that work does lead to success, and those who identified the denominations to which they belonged as "traditionalist" Evangelical groups expressed this view in even great proportions. In the other direction, people who said they were atheists were much more inclined to answer that work does not lead to success.

The same kind of insight applies to debates surrounding economic policy. In Germany and France and Italy today, and elsewhere in Europe too, many people criticize what they call "the Anglo-Saxon model" of economic policy. In the United States we do not use that label, because what the Europeans mean by "the Anglo-Saxon model" is *our* way of organizing our economy and conducting economic policy. But where did the concept of an Anglo-Saxon model come from? And why does it attract so much disapproval among Europeans and others outside the English-speaking countries? One part of the answer is the legacy of the religious influence on Adam Smith and his contemporaries and successors.

The same influence is also visible in our debate over specific economic policies. A perennial puzzle, for example, is why so many Americans who have no chance of ever inheriting money from a taxable estate are nonetheless passionately committed to abolishing what they call "death taxes." In the United States today, the probability of an individual's inheriting money from a taxable estate is approximately equivalent to the probability that an adult male will be 6'9" or that a female will be 6'3": approximately the top one-quarter of one percent of the population. On average, Republicans have incomes substantially higher than the average for the U. S. population, and so it is not surprising that the opposition to estate taxes that they express is also much greater than among the population as a whole. By contrast, Democrats, on average, have incomes slightly below the national average; the opposition to estate taxation that they express is well below that of Americans overall. How about the opinions expressed by religious groups? Mainline Protestants, on average, have incomes slightly higher than the national average, and they express slightly greater-than-average opposition to estate taxation – again, not in any way a surprise. But while members of Evangelical denominations on average have incomes not only well below the national average but below the average income of Democrats too, they are *more* opposed to estate taxes than the population as a whole (and even more opposed than the Protestant mainliners, with their above-average incomes). Is all this just a coincidence? Or, here too, might there not be a religious influence at work?

In light of the evidence, the influence of religious thinking on economic thinking – first on the origins of what we now call economics during the eighteenth century, then on the evolution of economic thinking down through the nineteenth and twentieth centuries, and today on our contemporary public conversation and debate over matters of economic policy – seems clear enough. Recognizing this influence, and taking the connection explicitly into account in how we address both these historical questions and today's debates, would not only give us a deeper and more satisfactory understanding of where the discipline of economics came from but also help to inform our contemporary public conversation about economic issues.

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