FUNDAMENTALISMS AND THE STATE

Remaking Polities, Economies, and Militance

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Fundamentalisms and the Economy

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Many fundamentalist movements have an economic agenda. This means not that their participants want to enrich themselves—which they might and often do—but that they wish to restructure economic systems to conform with the stipulations of their respective religions. So it is that we hear of Christian economics, Buddhist socialism, and Islamic banking.

To the untrained eye, the economic agendas of the major fundamentalisms will seem worlds apart. After all, each agenda draws on a distinct philosophical heritage and features a unique mode of discourse. And the involved fundamentalisms engage in almost no interchange of ideas or methods. One can read thousands of pages of Islamic economics without encountering a single reference to Christian economics, and vice versa. Yet such economic doctrines share the objective of supplanting secular economic thought.

This mutual isolation is rooted in two factors. First, each fundamentalist economic doctrine takes for granted the correctness and unrivaled superiority of its own religion. Thus, no Christian economist would try to resolve biblical ambiguities by consulting Deendayal Upadhyaya’s *Integral Humanism*, a cornerstone of Hindu economics. Second, each doctrine employs a distinct form of expression that outsiders can penetrate only with training. A Christian economist who chooses to leaf through *Integral Humanism* would be overwhelmed by its esoteric terminology and symbolism. The mutual insularity of these doctrines stands in sharp contrast to the acknowledged awareness and manifest openness of each to secular economic thought. As the following essays demonstrate, fundamentalist economic doctrines borrow heavily from the very intellectual traditions they ostensibly aim to supplant: Marxist socialism and diverse secular traditions that promote a market order.

In terms of substance, the economic blueprints contained in these doctrines exhibit some important differences. The elimination of interest is a supreme objective of Is-
Islamic economics but is hardly an issue in Hindu economics. Buddhist economics encourages the construction of shrines, a matter alien to Christian economics. Against such substantive differences, there are major commonalities in their messages, rhetorical tendencies, and pragmatic adaptations. A sketch of these commonalities will help place in context the essays of part 2 and sensitize the reader to their shared themes.

Two of the following four essays deal with the fundamentalist doctrines of Islam and Protestant Christianity, faiths that rest upon authoritative scriptural foundations. The other two essays analyze the fundamentalist doctrines of Buddhism and Hinduism, faiths less dependent on canonized scripture but firmly rooted in traditional belief and behavior.

I shall refer to these doctrines collectively as “fundamentalist economics.” The use of this term is not meant to obscure the particularities of its variants. The term “neoclassical economics” groups together various economic traditions that share a common set of concerns, assumptions, and methods. In the same spirit, the term “fundamentalist economics” may serve as a generic name for a rather diverse cluster of doctrines that are formally unrelated but share a professed, though not necessarily exercised, opposition to secular economic ideals and practices—an opposition based, moreover, on a common aspiration to ground economic prescriptions in normative religious sources. Nor does the term encompass all economic thinking linked to religion. While fundamentalist economics is necessarily religious economics, the converse does not hold. By implication, a “fundamentalist economist” is not merely an economist whose work draws inspiration from religion or one who is religious. So when I use the term “Buddhist economist,” I mean an economist who subscribes to Buddhist fundamentalist economics, not just any economist of the Buddhist faith or one influenced by Buddhist teachings.

Before we set out to characterize fundamentalist economics, one more clarification is in order as to what it is not. Fundamentalist economics is not the creation of backward-looking theologians who see and seek nothing but the glories of some past utopia. Although its rhetoric may convey a desire to restore lost social virtues, it is driven, as we shall see, by concerns related to contemporary phenomena. Fundamentalist economics does not oppose mastery over the physical universe, discourage temporal prosperity, or glorify poverty. It is not the economics of renunciation, asceticism, stoicism, or monasticism. Tertullian (160–223 C.E.) and other Christian Fathers may have denounced the acquisitive instinct as the sin of covetousness, but Christian economics is no revolt against property and no conspiracy against economic growth. Nor does fundamentalist economics stand for the leveling of economic achievements. While there is an egalitarian streak in each of its variants, none goes so far as to oppose earthly rewards for effort or demonstrated talent. Finally, fundamentalist economics does not preach that faith alone will put bread on our tables, operate our factories, and build our highways. Islamic economics treats faith as essential to both worldly and otherworldly happiness, but it does not view praying five times a day as the key to material prosperity.

Fundamentalist economics is largely a reaction to perceived injustices in existing
economic systems and to transformations engendered by the industrial revolution, the expansion of government, and the information revolution. The perception is commonplace in both rich and poor societies—and not simply in their segments left behind economically—that modernization has corrupted individuals, torn apart communities, compartmentalized human knowledge, and replaced the fraternal atmosphere of the premodern economy with either the ruthless competition of the marketplace or the equally bitter competition over public resources. The propensity to view the latter form of competition as the prime cause for alarm is especially pronounced in Protestant Christian economics, whose American exponents identify closely with the ideals of the American republic. The Christian economists of America tend to be troubled by many new forms of economic regulation, which they see as endangering cherished market freedoms. The contrary tendency to see market competition as a threat, as opposed to a fading virtue, is most apparent in Hindu economics and in the Burmese variant of Buddhist economics.

The books, articles, and pamphlets that constitute the corpus of fundamentalist economic thought do not always capture the full spectrum of factors instrumental to its development. One needs to know the historical context to understand the motives of fundamentalist writers in all their complexity. As Deepak Lal’s essay explains, Hindu economics is driven by a desire to keep India’s traditionally closed economy highly protected from foreign competition. This policy serves the interests of the shopkeepers, professionals, and civil servants with a stake in perpetuating the status quo, but it hurts the broader mass of consumers. Islamic economics is just one component of a wider revivalist movement that aims to break the domination of Western thought over Muslim minds and thus restore the Islamic community’s sense of superiority. Many recent contributions to Islamic economics obscure this elementary motivation, creating the impression that it aims simply to promote justice and efficiency. Buddhist economics features, as the essay by Charles Keyes demonstrates, a host of stipulations that protect the socioeconomic status of Buddhist monks. Its stated goal is more noble: to liberate the individual from the shackles of materialism. Finally, Protestant Christian economics is distinct from libertarian economics, although some writings give the impression that the two are equivalent. Laurence Iannaccone’s essay indicates that Christian economists are opposed not to government per se but, more specifically, to un-Christian government. Their embrace of libertarian ideals is a strategic move aimed partly at coalition building and partly at weakening the incumbent secular state’s economic base.

However they differ in their misgivings about recent economic trends, fundamentalist economists all believe that the ills of modern civilization are rooted in moral degeneration. Irreligious government and secular education have left the individual’s selfishness untamed, his ambitions unchartered, and his noble instincts uncultivated. Accordingly, behavioral reform through moral uplift figures prominently on the agenda of every variant of fundamentalist economics. In one form or another, each encourages people to bring the social interest into their economic calculations, promotes the display of generosity, and insists on the individual’s obligation to refrain from waste.
Modern economics, which grew out of the works of David Hume, Adam Smith, and other luminaries of the eighteenth-century Scottish Enlightenment, puts little emphasis on morally or socially motivated individual behavior. Its most celebrated proposition is that people who are free to pursue their own economic objectives make choices beneficial not just to themselves but also to the wider community. It posits that economic activities fueled by selfishness, greed, avarice, and even ostentation yield substantial social gains, though as unintended and often unforeseen by-products. Fundamentalist economics takes a radically different view. In the belief that modern economic thought exaggerates the social returns from economic pursuits motivated by the baser instincts and greatly underestimates the social losses, it asserts that the collective good requires the individual to subordinate his own interests to those of the wider community.

This position rests implicitly, but critically, on the assumption that the individual can easily identify the collectively optimal course of action. No one would deny the existence of choices where this condition is met. If you have your finger on the detonator of a nuclear bomb, you can figure out effortlessly that it is in society’s interest for you to refrain from pressing the button. But in everyday life we face many decisions where the collectively optimal choice is hardly self-evident. Suppose you are considering whether to build a new synthetic fertilizer factory in some large city. If you construct the factory, you will create new jobs and probably enrich yourself; but the fumes emitted by the factory might cause some deaths, and existing fertilizer plants might be forced to lay-off workers. Here, the collectively optimal course of action is not obvious: however well intentioned and altruistic you are, your judgment may conflict with those of others who are equally well meaning and unselfish.

Fundamentalist economics denies the existence, or at least downplays the significance, of complex economic choices of the latter type. It asserts that on ordinary economic matters people can easily figure out what is socially optimal, provided they have noble intentions and the right frame of mind. It insists, moreover, that these crucial characteristics are cultivated only through strict adherence to divinely revealed and authoritatively interpreted religion. The wellspring of economic legitimacy is thus the divine will, as embodied in revelation and in faculties acquired through faith and devotion.

Implicit in this view is the notion of a unique legitimate choice, as opposed to many, equally legitimate choices. Right, just, and good are absolute concepts, not relative ones over which informed, reasonable, benevolent people might disagree. Thus, where modern economics attempts to compensate for the individual’s informational deficiencies by absolving him of the need to forecast the social consequences of his possible actions, fundamentalist economics does so by pointing to religious texts or traditions as the appropriate behavioral blueprint.

Within each variant of fundamentalist economics one can find positions and specific statements that blur this contrast. Most strikingly, Christian economics holds in high regard various secular writings on the market’s role as mediator among competing individual claims, notably the works of Friedrich Hayek and Ludwig von Mises. This is not to say that Christian economics concedes the deficiency of Christian teach-
ings as a guide to economic behavior. It has not come to terms with the inconsistency between its claim that the Bible offers solutions to complex economic problems and its embrace of the market as an institution that obviates the need to find these solutions. There are such unresolved tensions in every variant of fundamentalist economics, a point to which I shall return.

Simplification is common to all thought, religious and secular. And every intellectual current features thinkers convinced of the correctness of their answers, solutions, and interpretations. A neoclassical economist exploring how to improve government efficiency starts from a set of simplifying assumptions supplied by his discipline. Combining these with observations and logic, he concludes that one should restrict the government’s ability to run budget deficits. How does this neoclassical economist’s approach to the world differ, if at all, from that of a Christian economist who happens to offer the very same prescription? Each proposes a distinct course of action on the basis of a thought process that begins from vast simplifications. The neoclassical economist keeps his proposal open to modification, assuming, of course, that he is a faithful adherent to the central scientific principle of his school of thought, namely, the obligation to abandon hypotheses, analytical procedures, and conclusions discredited by new findings. For his part, a Christian economist loyal to the spirit of his own school treats his conclusions as fixed whenever he considers these to be rooted in the Bible, God’s inerrant guide to the correct economic order.

It would appear, then, that fundamentalist economics differs from its secular alternatives in terms of its responsiveness to information inconsistent with adopted positions. Where a neoclassical economist might come to recognize that the benefits from budget deficits sometimes outweigh their costs, his Christian fundamentalist counterpart, if he considers the Bible to speak to the issue and thus to provide inflexible boundaries for analysis, is less prepared to change his mind, even in the face of highly inhospitable empirical evidence.

Once again, the contrast between the two schools of economics gets blurred in practice. Christian economics is unchangeable only in theory. As a practical matter, developments of the kind that influence the evolution of neoclassical economics also influence that of Christian economics. So the key difference is not that one system of thought is dynamic and the other static. It is that changes acknowledged openly and unabashedly in neoclassical economics can only be made surreptitiously in Christian economics, lest a clear acknowledgment contradict the Bible’s assumed inerrancy. After all, if the truths embodied in Christian economics are absolute, they cannot be subject to erosion or change over time. It is also true, no doubt, that the typical neoclassical economist is hardly a paragon of responsiveness to empirical evidence. Most practicing neoclassical economists, like their peers in other secular disciplines, abandon only with great difficulty the assumptions, methods, and ideas on which they have staked their careers and reputations. New secular paradigms triumph less by converting the old guard than by outliving it.

To sum up thus far, what renders Islamic, Christian, Hindu, and Buddhist economics fundamentalist is their commitment to the idea of unchanging fundamentals on which a just economy must rest, not simply their insistence on giving religion a
role in economic matters. One can believe that religious values promote cooperation in the work team or that religious traditions harbor valuable economic lessons—even prescriptions and proscriptions—without being a fundamentalist. One enters the realm of fundamentalism by insisting that the relevant teachings and injunctions are absolutely fixed—never subject to disagreement or adaptation—and equally binding on believers and unbelievers alike. Accordingly, it is not a manifestation of fundamentalism to draw inspiration from the economic experiences of the earliest Muslims in seventh-century Arabia. Such an interest in early Islam approximates fundamentalism only to the extent that the known record is assumed to escape the limitations of historical knowledge and thus to provide a timeless normative basis for economic practice. To take another example, in their 1986 pastoral letter on the U.S. economy, the American Catholic bishops keyed their teachings and the binding authority of their words to the heterogeneity of their audience. They held Christians to a higher standard than non-Christians. Likewise, on spiritual and economic matters they held practicing Catholics to a higher standard than the general public, including nonpracticing Catholics. These economic teachings are obviously Christian teachings, but they do not constitute fundamentalist economics. By contrast, Christian fundamentalism considers its economic injunctions to be equally binding on everyone.

Divided as it is on the merits of market competition and on the competitive instincts in need of disciplining, fundamentalist economics is also divided on the identity of the social groups particularly in need of moral and behavioral reform. In variants that condemn market competition, the prime villains of society include the trader, the middleman, and the speculator. In those that glorify competition, they are the bureaucrat, the social engineer, and the regulator.

But we must be cautious in drawing such categories, for no variant of fundamentalist economics forms a logically tight and fully consistent system of thought. Like all social thought, fundamentalist economics partitions what it perceives as reality, simply because no writer's or reader's mind has the capacity to incorporate all the diverse variables and relationships that bear on human existence into one comprehensive model. Just as neoclassical economics segments its domain of analysis using different models in microeconomics than in macroeconomics, and in labor economics than in industrial organization, so, too, fundamentalist economics applies to issues disparate clusters of facts and principles. We have already seen how Christian economics promotes both the market and biblical commandments as guides to socially useful economic behavior, but without recognizing the possibility of conflict, let alone prescribing how conflict is to be resolved. In the same vein, some texts in Islamic economics feature long passages on the virtues of the market mechanism which suggest that price movements are vital to the equilibration of supply and demand. These same texts contain other passages that instruct traders to refrain from taking advantage of anticipated shortages through unjust price increases. There is an inconsistency between these two classes of passages, which is that the equilibration lauded in the first is obviated by the principle of the "just price" promoted by the second. Such inconsistencies point to the futility of trying to place Islamic economics squarely in the
pro- or antimarket camps. Islamic economics puts two faces on the market process, although one or the other may be more prominent in any particular text. Likewise, the list of immoral economic activities varies from text to text. We will return to such divisions.

If competition is one major theme to which fundamentalist economics links the issue of individual morality, another is scarcity. The typical modern textbook on economic principles treats human wants as unbounded. Recognizing the boundedness of physical resources, it argues that potential demand inevitably exceeds the possible supply. The challenge, it then informs, is to maximize some index of social satisfaction subject to resource constraints. Large segments of fundamentalist economics reject this amoral approach to the economic problem in favor of one centered on individual morality. Where the standard textbook treats the unboundedness of human wants as a fact of life, fundamentalist economics tends to view it as a problem rooted partly in modern civilization's failure to control individual acquisitiveness. The obvious solution is to couple efforts to supply more consumables with efforts aimed at curbing the demand for them. The latter objective would involve inculcating the individual with a sense of moderation.

The fundamentalist emphasis on tempering the individual's wants may be characterized as a utopian agenda, for no known society has managed to dampen its members' consumptive and acquisitive ambitions sufficiently to eliminate the problem of nonsatiation. Every society features some individuals committed to a frugal lifestyle. In South Asia ascetics, and in Christendom monks, offer prominent cases in point. But nowhere has self-denial been the rule.

This observation has a major implication: the objective of forming a temperate society provides the basis for a permanent critique of the economic order. Indeed, the futility of trying to eliminate all unsatisfied wants gives fundamentalist economics an irremovable justification for demanding moral reform. For the sake of comparison, neoclassical economics denies itself the authority to judge, let alone to criticize, individual wants. By treating individual preferences as immutable, it shifts the burden of economic performance entirely onto resource availability, production, and distribution.

To blame society's ills on excessive wants is to claim an ability to distinguish between moderation and immoderation. In a static economy with a population, technology, and menu of goods that are all fixed, a lasting consensus on the limits of temperance is not out of the question. But in a dynamic economy where economic possibilities are in flux, a consensus would be outdated almost from its inception. By the time the morally acceptable number of radios per household settled at one, the invention of the transistor would render this limit meaningless. A further complication lies in the enormity of the variety of goods. People living beyond subsistence enjoy a vast selection of spending outlets, including diverse learning opportunities, countless forms of leisure, a huge array of medical services, and a panoply of social and political causes. So consumption patterns may vary substantially among individuals of similar means, and with regard to any particular good one individual may consume more than the norm. Such heterogeneity of lifestyles constitutes an insur-
mountable obstacle to achieving a true consensus on the limits of moderation, even under the most favorable condition where the goal of promoting moderation is very widely shared.

Like the notion of "just price" and the treatment of middlemen as exploiters, the search for limits of moderation rests on a value system that predates the industrial revolution. As a general objective it is realistic only in the context of an economy far less differentiated and far less changeable than any in existence—even less than the poorest and the most stagnant. In view of this, the tendency within fundamentalist economics to treat moderation as a major instrument for economic betterment should be seen as an atavism—a longing for the cozy certainties of a slower and simpler age. This theme receives further attention in Lal's essay on Hindu economics.

By no means is fundamentalist economics the only branch of social thought that places emphasis on individual moderation. Secular economic discourse is replete with calls for resource conservation and frugal living. Such calls are not uniformly meaningless or necessarily harmful. Drawing attention to inefficient consumption patterns, they keep vitally important economic issues on the public agenda. The point remains that consumptive inefficiencies cannot be eliminated only through individual moderation. Realistically, one needs to rely heavily on the price system.

Fundamentalist economics berates secular economic doctrines for their indifference to the moral content of individual economic choices. The individual must be prevented, it insists, from pursuing an immoral lifestyle, both for his own good and for the welfare of the community. But what if indoctrination fails to eliminate the behaviors identified as immoral? Apart from redoubling its educational efforts, fundamentalist economics may respond in one of several ways.

Most obviously, it may resort to repression, eliciting moral behavior on pain of punishment. A movement's coercive capacity depends, of course, on its political influence. An indoctrination campaign backed by the state's coercive apparatus is generally more effective than one undertaken in opposition to the state. This is one reason why fundamentalists advocating an economically limited state are anything but averse to taking control of the reins of government. Thus, Christian economists who oppose the welfare state and much industrial regulation see government, now an obstacle to their designs, as a potential vehicle for restructuring the American economy according to their own morality. Political power would serve, of course, other objectives as well. As Iannaccone argues, noneconomic objectives like banning abortion constitute complementary, if not more basic, motives for seeking control over the state's coercive apparatus.

If repression is one possible response to failure to eliminate practices identified as immoral, another is to look the other way, and yet another to redefine the nefarious practices as moral. Social movements finding their aspirations thwarted by the cold facts of human nature have routinely chosen to accommodate reality. In medieval Christianity, for instance, violations of the usury doctrine were either legalized through clever stratagems or simply tolerated. And in the twentieth century the absurdity of trading at prices determined according to the Marxian "labor theory of
value" has led communist countries to trade with one another at prices established in capitalist-dominated outside markets. Generally speaking, whenever rules are impossible or impractical to follow, even by a committed believer, they will yield to reality in one manner or another. They will either cease to be enforced or be brought under the law through semantic twists. My essay on Islamic economics shows how the revival of ancient legal fictions aimed at getting around Islam’s ostensible ban on interest, and the production of new variants, is a thriving pursuit in Islamic banking.

Redistribution is a persistent theme in social discourse. Not surprisingly, it is a prominent concern of fundamentalist economics. All of its variants encourage the materially well-off to assist the less fortunate. Yet none insists on full equality, although there are differences in the forms and grades of inequality considered tolerable. There are also differences in the degree of coercion deemed necessary to bring about the desired redistribution. Islamic economics promotes the use of state power to enforce the collection of a religious tax whose proceeds are, by tradition, reserved largely for the poor. Buddhist economics enjoins individuals to support monks through alms and to help finance the construction and maintenance of shrines; the notion of redistribution within the laity is a matter of controversy. Hindu economics espouses a populist egalitarianism that features protection against foreign competition and the promotion of small-scale industry. Protestant Christian economics stands out as the one variant whose current focus is on preventing redistribution: it advocates the curtailment or abandonment of many of the forced transfer programs instituted in recent decades, on the grounds that they have failed to alleviate poverty. Nevertheless, it teaches that society has a responsibility toward its poor. And it asserts that obeying God’s commands regarding tithing and charity would go a long way toward alleviating poverty and inequality.

It is one thing to articulate a preference regarding the distribution of income or wealth, quite another to formulate a policy package capable of generating the ostensibly desired distribution. Proposed policies are not necessarily consistent with the goals they are supposed to serve. As Iannaccone demonstrates, Protestant Christian fundamentalists have taken few concrete steps to reverse the transfer policies they profess to oppose. I argue in my own essay that the redistribution schemes instituted in the name of Islam have reduced neither poverty nor inequality. In the same vein, Lal argues that the fierce nationalism and strident populism of the Hindu revivalists serve to perpetuate the economic status quo, benefiting the politically well connected at the expense of consumers and start-up producers. I have already touched on how the Buddhist traditions of almsgiving and shrine building serve the purpose of distributing wealth to the religious establishment.

While each variant of fundamentalist economics has dominant positions on specific issues, these are subject to change over time. And at any one time, no variant presents a united front on every issue. On the proper economic role of government, for instance, all feature the same ideological cleavages found in secular discourse. Thus, Buddhist economics espouses a form of socialism in Burma (Myanmar) but mild liberalism in Thailand. The Hindu support of India’s long-standing protection-
ism has been challenged by some prominent Hindu revivalists, although the discordant voices remain in the minority. Within the American wing of Protestant Christian fundamentalism, a large portion of the leadership currently subscribes to the ideals of free enterprise. But the rank and file is as divided as the American nation is as a whole. Revealingly, Christianity is also the ostensible fountainhead of liberation theology, which promotes the view that capitalism betrays the Bible, and encourages massive redistribution in favor of the poor. Finally, Islamic economics has featured, from the very beginning, divisions on the domain of government control and intervention. These divisions are evident even in the careers of its individual promoters. In Pakistan some of today’s champions of an “Islamic market economy” were until recently leading advocates of “Islamic socialism.”

The observed internal divisions within the variants of fundamentalist economics stem from a combination of two factors. First, each religion harbors tensions among its various objectives. It is incumbent on us to help the downtrodden, but people ought to take responsibility for their own actions. We must fight evil, yet whatever exists is a manifestation of a humanly unfathomable divine plan. In view of such tensions, it is hardly surprising that each variant of fundamentalist economics features, to use the most common social taxonomy of our time, a right wing and a left wing. Which one dominates will depend on circumstances. Keyes argues that the basic variations between the Burmese and Thai versions of Buddhist economics reflect historical particularities: whereas the former served as an ideological weapon against colonialism, the latter was co-opted by the local political establishment. This brings us to the second source of internal divisions. Each of the great religions has a rich heritage that can be used to justify just about any economic policy. Its scriptures and traditions provide a wealth of precedents in favor of measures now identified with capitalism, innumerable others in favor of ones identified with socialism. Under the circumstances, any fundamentalist with a modicum of talent can rationalize, through appropriate appeals to scripture or interpretations of religious tradition, just about any economic agenda from strict isolationism to unencumbered liberalism.

What I am suggesting is that fundamentalist economics is shaped heavily by the very secular forces from which its proponents claim immunity. Like nonfundamentalists, fundamentalists become socialists or capitalists, protectionists or free-traders, and regulators or deregulators for reasons that lie largely beyond their respective religions. Having taken particular positions, they buttress these through selective religious appeals. Thus, they accept some texts literally, others only metaphorically. And they designate some events and statements as profoundly and eternally significant, dismissing others as meaningless, unrepresentative, or irrelevant. From this perspective, fundamentalist economics is less a distinctive economic doctrine than a method for shoring up economic agendas that may or may not be rooted in religion.

This is not to say that the exponents of fundamentalist economics engage in this process of selective retrieval self-consciously or in bad faith. Nor are they prepared to concede the dependence of their cherished “fundamentals” on transient social factors. On the contrary, individual theoreticians, practitioners, and supporters insist on the
correctness of their own interpretations and by implication, if not in word, on the misguidedness of their cofundamentalists who subscribe to radically different interpretations. The process of selective retrieval is not unique to fundamentalists. The works of Karl Marx and the deeds of the Founding Fathers of the United States, to give just two examples, have each provided ideological ammunition to a wide variety of social movements. But the parallel with nonfundamentalist thought stops there. Whereas secular and nonfundamentalist religious scholarship harbors numerous traditions that emphasize the fluidity and multiplicity of historical interpretation, fundamentalisms deny the ambiguities of their guiding texts and traditions.

Fundamentalist economists differ from nonfundamentalist economists in another crucial aspect: they insist on the inseparability of economics from other realms of human activity. At least in principle, the fundamentalist view of the world is not compartmentalized. It is holistic and integrationist. Accordingly, economics is not to be developed in isolation from social, moral, and political concerns, and most important, it is to be subordinate to religious principles.

It is one thing to set out to provide a comprehensive guide to economic activity, quite another to achieve this ambitious goal. In practice, fundamentalist economics pays attention to a select subset of the economic issues that enter public discourse. There are major economic issues on which fundamentalist economics is quiet, if not silent. For instance, Islamic economics has little to say on public finance—beyond, that is, its preoccupation with reviving Islam’s traditional scheme of redistribution. Many Islamic economists acknowledge the need for a flexible taxation system to finance expenditures that fall outside the purview of the traditional scheme, but they are generally mute on the specifics of the additional taxes. This is all the more remarkable given the ongoing dependence of every Muslim government on various taxes collected under schemes lacking religious significance.

A salient difference among the variants of fundamentalist economics that are discussed in the following essays lies in their concrete achievements to date. Islamic economics has brought into being some widely publicized economic institutions, including Islamic banks in dozens of countries and state-administered redistribution schemes in several. The other variants have no comparable achievements. Hindu and Buddhist economics have lent their support to existing practices and institutions, such as protectionism in the former case and almsgiving in the latter; they have not created new institutions or revived ones in disuse. Likewise, the Protestant Christian variant has had no tangible influence on the economy; it has merely lent political support to a free-market agenda spearheaded by secular thinkers and lobbies. These other variants may, of course, follow the lead of Islamic economics and take concrete steps to reshape the economic order in the name of their respective religions. But if the short history of Islamic economics provides any indication, it is doubtful that such steps would have a major impact on resource allocation or the distribution of wealth. Their main accomplishment would probably be to bolster the appeal of measures desired for nonreligious reasons.

Conspicuously absent from the list of religions covered here is the oldest scriptural
religion, Judaism. It so happens that economic restructuring has not been a major objective of Jewish fundamentalism, which is preoccupied with the issue of redefining Jewish identity and other such issues generated by the establishment of Israel. In Judaism’s intellectually rich heritage there is no lack of motifs capable of spawning a Judaic variant of fundamentalist economics. There is the ancient tithing system, which could form the basis of a redistribution scheme similar to its now-revived Islamic counterpart. There are the anti-usury laws of the Torah, on whose authority Jewish fundamentalists could set out to reform Israel’s financial system. The Torah and a host of rabbinic decisions offer abundant material on which to build a blueprint for Jewish economic conduct. As yet another example, there are biblical commandments to observe every seventh year as a “Sabbatical Year,” when contracted debt is to be remitted and land left fallow, and the close of every seventh seven-year cycle as a “Jubilee Year,” when, in addition, expropriated land is to be returned to its original owner. These commandments could form the linchpin of a distributational agenda. They were a source of controversy as late as 1910, when Abraham Isaac Kook, the chief rabbi of Jaffa, led a movement to make Jews refrain from acquisitive dealings during the Sabbatical Year. Kook went so far as to encourage the preemptive sale of Jewish-owned lands to Muslims. His campaign faltered in the face of opposition from other prominent rabbis, many of whom were busy laying the groundwork for a modern Jewish state.

For our purposes here, the significance of this episode is twofold. The campaign itself demonstrates the potency of scripture as a source of far-reaching economic policy. And its failure lends support to one of my earlier points: the outcome of competition among rival religious interpretations depends substantially on the prevailing social, political, and economic winds.

Also absent from the religions covered here is Sikhism, which has given rise to a powerful fundamentalist movement. Motivated in part by the perception that India’s Sikh-populated regions are economically exploited, this movement endeavors to establish an independent country run by Sikhs. But while its goals include improving the Sikh nation’s economic fortunes, it has not articulated a coherent economic program. Nor has it produced a body of economic thought that draws on Sikh motifs.

The Jewish and Sikh cases suggest that, for fundamentalisms, the development of a distinct economic doctrine is a goal of second-order importance. In the presence of serious concerns about national independence or survival, this goal may be shelved indefinitely. Such concerns are muted, if not absent altogether, in the birthplaces of the fundamentalist doctrines explored in the following four essays.

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Notes


4. For many other examples from diverse times and places, see E. L. Jones, Growth Recurring: Economic Change in World History (Oxford: Clarendon Press, 1988), chap. 5.


10. For one such attempt, see Meir Tamari, “With All Your Possessions?: Jewish Ethics and Economic Life (New York: Free Press, 1987). Tamari, an Israeli, is not affiliated with any organized fundamentalist movement.

11. Encyclopaedia Judaica, s.v. “Sabbatical Year and Jubilee.”