

Bruni, Luigino and Stefano Zamagni. *Civil Economy: Another Idea of the Market*. Newcastle upon Tyne: Agenda, 2016. 147 Pp.

In their much-needed contribution to the field of economics, *Civil Economy: Another Idea of the Market*, Luigino Bruni and Stefano Zamagni remind us that man does not live by economic indexes alone. Cutting directly into mainstream economics and its long and unhealthy obsession with quantification and king numbers, Bruni and Zamagni argue that the economic person is first and foremost a person in search of authentic happiness and a genuine common good that exists outside the Gross Domestic Product.

Calling upon the overlooked and often forgotten tradition of Italian civic humanism, Bruni and Zamagni present an alternative economic paradigm known as “civil economy.” Neither completely jettisoning nor discrediting the classical and modern schools that shape most economics today, the authors offer a more comprehensive approach that fills gaps left by both. Their two-fold goal is “rethinking the anthropological foundation of economic discourse” and counteracting “the serious productivity decline of...the past twenty years.” (p. x)

In so doing, Bruni and Zamagni note that the civil economy is not a school of thought or an economic system but rather a “laboratory of thought in which we can attempt to imagine it.” (p. 4) The authors draw in particular upon five individuals whose contributions to economics are generally ignored: Italian philosophers and political economists Antonio Genovesi, Giacinto Dragonetti and Achille Loria, Italian historian Amintore Fanfani, and English art critic John Ruskin. Integrating key, and often seemingly contrary elements from each, Bruni and Zamagni outline the core principles of civil economy.

The market is mutual assistance: Healthy economies are grounded in an anthropology of “trust,” “mutual advantage,” and “happiness” that emphasizes “reciprocity, friendship and mutual assistance or fraternity” (p. 22) as the essence of production and exchange.

Public happiness: Happiness is the end of virtuous living and a common good that all must serve, and thus should not be confused with “the pursuit of wealth” which is a means for living well.

Rewarding virtues: Genuine virtue is its own end, is directed to the good of others, and should be thus rewarded. Because incentives seek to “obtain something from someone who would not do it spontaneously or sincerely” (p. 30), they create material dependency. Rewards, in contrast, “point out notable individual characteristics that are not otherwise observable, such as passion, loyalty, group spirit and so forth” (p. 35).

Against all rents: Rent (i.e., “monopoly rent”) lead people “to extract income not from active money flows, but from previously acquired privileges and rights” (p. 35). As such, it is “the enemy of economic development and social production...since it obstructs the actions of ‘capitalist-entrepreneurs,’ that is productive capitalists” (p. 56).

Good wealth: Economic inequalities result in the production of good and bad wealth. Whereas good wealth focuses on the morality involved in its attainment, bad wealth lacks a moral reference. Furthermore, macroeconomic indices fail to distinguish the two which often results in a rising GDP that clouds real declines in well-being and happiness.

The “Catholic” spirit of capitalism: The humanism of the Protestant Reformation and the Catholic Counter Reformation redirected the focus of human action, and thus markets. Breaking with the Catholic culture of the Middle Ages, this new humanism spawned a form of capitalism which, although beneficial and useful in many respects, changes the emphasis of human action from God and personal actualization to the individual ego and material aggrandizement.

Drawing upon these six principles, the authors utilize the second half of their text to explore four pressing topics: the inadequacy of computational economics, the inherent challenges of common goods, the breakdown of modern welfare, and socially responsible companies and consumers. In the process, Bruni and Zamagni explore many of the unique insights the civil economy offers for today's most enduring needs, especially the restoration of economics as a *social science of human action*.

As welcomed as *Civil Economy* is, it nevertheless falls short in some very significant ways. The authors are quite right, for example, to charge mainstream economics in the United States with a “chronological snobbery” that led to the Great Recession and myriad financial calamities felt round the world. However, they also overlook a large and growing body of dissent in American economic theory—one at least seven decades in the making—that is overwhelmingly critical of the computational and statist mindset.

Of particular surprise is the lack of any mention of a number of past and present economists and philosophers dedicated to the restoration of economics to its rightful place as a branch of ethics, chief among them the great Swiss economist, and one of the spiritual fathers of the social market economy, Wilhelm Röpke (1899-1966). One might forgive the authors for overlooking, lesser known contemporary thinkers of a similar vein—such as the late Michael Novak and Samuel Gregg, among others—but both the quality and successful application of Röpke's thought is well documented and has a high degree of influence today.

Finally, Bruni and Zamagni leave open far too many questions about the meaning and use of a variety of key terms and concepts, as well as their interpretation of other thinkers and schools regarding the same. For example, as refreshing as their attempt to reconnect economics to its Scholastic roots is, they fail to clearly articulate how the civil economy paradigm is better equipped than the late Scholastics and classical liberals in restoring an authentic common good or protecting legitimate rents against the temptations of materialism and corruption. Like its counterparts, the success of the civil economy seems ultimately to depend upon the ability of a thriving and virtuous culture, steeped in classical education and a lived ethic of servant leadership, to successfully appeal to

individual consciences. In this way, the civil economy is not such a new paradigm after all.

Shortcomings notwithstanding, *Civil Economy* is a stimulating and timely work. Bruni and Zamagni are to be commended for introducing the civil economy to the postmodern era, reintroducing the Italian tradition of civic humanism, and engaging some of the most persistent questions in economics—all in under 150 pages. It belongs in the hands of every thinking person today.

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Rubin, Jared. *Rulers, Religion, & Riches: Why the West Got Rich and the Middle East Did Not*. New York: Cambridge University Press, 2017.

Economists are valued chiefly for their ability to tell people how to get rich. While there are countless specialties within the field, there are two main divisions: forecasting – how an individual or firm can gain by knowing the future – and development – how a whole country can become more prosperous by repeating the successes of the past. This book decidedly is in the second category. Rubin presents a theory that clearly addresses the development issue in an entirely fresh way. He finds that the relationship between government and religious leaders determined the treatment of wealth-producing advances. These relationships differed between the West and the Middle East. When the government needed the endorsement of the religious leaders, those religious leaders often used their influence to block economically beneficial changes and created poverty. Independent governments, more common in the West, lacked the incentive or the ability to block these changes. Max Weber (1905) argued that “the Protestant work ethic” was the secret to a successful economy, but several sociologists and economists produced compelling arguments against this theory in the 20th century. Now, in the 21st century, Jared Rubin