Loving Strangers Through Work and Exchange

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- Neighborly love means seeking the best for the other person, maintaining their dignity, at the cost of our own personal comfort.

- Need to move from Faith and Work to Faith, Work, and Economics.

- Compassion needs to be combined with capacity.
What happens to the character of the people who participate in the modern, entrepreneurial economy?
World Per Capita GDP
10000 BCE - 2003 CE (1990 International Dollars)


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Figure 1.1  World economic history in one picture. Incomes rose sharply in many countries after 1800.
The modern, entrepreneurial economy

- Mutual collaboration, but of a quite different type
- Massive specialization
- Exchange is impersonal
- Much of the information necessary for coordination is communicated through prices — the unseen agent
The teleology of the entrepreneurial economy

- Expanded opportunities to serve and be served
- Enables us to develop economic capacity to complement our compassion
But what does participation in the entrepreneurial economy do to our character?

- For many Christian thinkers, participation is problematic. Should we give moral sanction to impersonal work and exchange?
- Market production and exchange drives out the intrinsic value of economic activities.
The Ultimatum Game

- There is a fixed sum of money available to two participants ($10).

- There is a proposer who makes an offer to the respondent. The offer tells the respondent how the proposer suggests the money be split.

- The respondent can decide to accept the offer, in which case the money is split according to the terms offered by the proposer. However, the respondent can reject the offer, in which case neither the proposer nor the respondent gets anything.
The Results

- Played with university students from Pittsburgh, Ljubljana (Slovenia), Jerusalem, Tokyo, and Yogyakarta (Java, Indonesia)

- No difference in results (average offer - 44%, average rejected offer 20%)

- Played with 15 small-scale, non-modern societies. In the sample were three foraging societies, six that practice slash-and-burn horticulture, four nomadic herding groups, and two sedentary, small-scale agricultural societies.
Non-modern societies

- Offers varied across societies from 26% to 58% - much greater than with university students.

- Rejection rates also varied. Rejections of low offers (below 20%) are extremely rare in some groups, while in others high offers (in the 50% range) are rejected.
What explains the difference across groups?

- Non-explainers: sex, age, relative wealth, village population size, or the experience of experimenter with the group.

- Explainers:
  - Amount of cooperative activity in production.
  - Market integration - how much do people rely on market exchange in their lives?
The *telos* of markets

- Is a person’s authenticity and dignity compromised by entering into exchange relationships?
- Can markets have their own form of intrinsic value? Does mutual collaboration deform, or form our character, our virtues?
The *telos* of market production and exchange

- Markets have a purpose beyond production of goods and services.
- Participants can learn and integrate into their lives the principle of *mutual benefit*. 
Not a theory of altruism, non-selfish behavior.

A distinctive moral attitude towards market relationships - an attitude characterized by reciprocity.
This is reciprocity among people who don’t know each other. Loving strangers.

Participants intend to benefit others.

Trust is an important part of the process. Participants must reward trustworthiness and punish those who violate trust.
If the *telos* of the market is mutual benefit, it is a virtue to be entrepreneurial in seeking out mutual benefit.

- Respect for the moral worth of others is expressed through market production and exchange.

- Introducing the marginalized and oppressed to the world of work and exchange is enabling them to develop respect for themselves and respect for others.
Loving strangers through work and exchange is not the only domain of importance.

Seeing work and exchange as an important arena for the development of virtue doesn’t rule out redistribution.
We are loving strangers through work and exchange.