

external threats have often driven nation-building, and how this sits awkwardly with modern development theory prescriptions. Reassuringly, societies can arrive at political order via different paths, which he fleetingly illustrates with reference to Denmark and South Korea. Writing about authoritarianism in the contemporary Middle East, Fukuyama tantalisingly suggests that rule of law need not be incompatible with Islam and that current political order (or lack of it) in the Middle East is a result of the region's interaction with the West and subsequent transition to modernity. One hopes and expects these topics will be revisited in the next volume.

A proper assessment of Fukuyama's work is only possible after the second volume is published. Even for a heavyweight like Fukuyama, attempting such a big project inevitably risks academic overreach. While his narrative is well-written and seems persuasive, as somewhat of a dilettante, your reviewer cannot respond authoritatively to Fukuyama's account of India's revival under the Guptas, nor his critique of Weber and Hayek.

The book's accessibility, together with his kudos, means Fukuyama's views will likely be instructive for those making policies on state building, rule of law, and political accountability. For their part, one hopes that academics will put aside any indignation at Fukuyama's encroachment into their specialist field and respond constructively to correct or fine-tune his theories. Academics and policymakers aside, anyone with an interest in history and

political science will gain a more insightful understanding of the past and present from reading this book. Watching *The Tudors* will never be the same.

### Reviewed by Joel Malan

#### *Economics for Life*

By Ian Harper

Acorn Press, Melbourne, 2011

\$29.99; 174 pages

ISBN 9780908284955

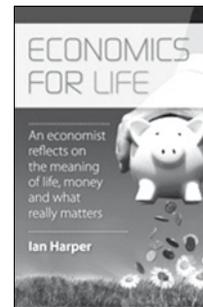
I enjoyed reading Ian Harper's book, but evaluating it as a reviewer means deciding what kind of book it is. The book includes an excellent historical overview of the Australian economy (chapter 4) but is not a work of professional economic history. There are clear and perceptive comments on economic rationality, positive and normative economics, and ethical frameworks for economists (especially in chapters 2 and 3), but it is not a work of economic methodology. Nor is it a work on public policy, though a large part of the book is devoted to Harper's advisory roles in financial regulation, including the 1997 Wallis Inquiry (chapter 6), and setting minimum wages as Fair Pay Commissioner from 2006–09 (chapter 5). It is not the political tract that those who describe Harper as a 'conservative, right-wing religious zealot' might have expected, though he certainly highlights markets as an engine of wealth creation. These readers, expecting a certain sort of political tract, would be surprised to discover Harper's discussion

on dealing with affluence (chapter 9). Nor is it a standard autobiography. It is best categorised as an apologia, along the lines of John Henry Newman's *Apologia Pro Vita Sua* (1865), responding to charges of insincerity by Charles Kingsley.

Harper offers an eloquent defence both of professional economics and of the Christian faith he found later in life. As with Newman, who felt he could best defend his Catholicism by telling the story of the evolution of his religious position, Harper's particular arguments about economics and Christian faith gain unity and power from their context in the life journey he narrates, albeit perhaps a retrospective unity.

Harper's professional journey began with studying economics in Queensland, through postgraduate studies at the Australian National University, his first job with the Reserve Bank of Australia, a crucial year at Princeton University, a Chair at the University of Melbourne and later Melbourne Business School, various policy roles, and now consulting with Deloitte. There is no trace of self-indulgence or self-congratulation in his narrative, rather a thoughtful account of choices, successes and disappointments. What comes through most strongly is Harper's love of economics as an absorbing, challenging and important subject.

As well as defending economics against critics of the subject, Harper's other purpose is to encourage fellow economists to take a closer look at Christian faith. However, we do not get



a series of chapters outlining and arguing the claims of Christianity, but rather his surprising story (certainly to himself) of coming to faith and reflections on the relationship between his professional life as an economist and Christian faith (chapter 10). For instance, he considers that recognising there is something more than economics makes him a better economist. Or as he says several times in the book: economics is a good servant but a poor master.

For Harper, economics and Christian faith complement each other. They are not the same (he describes how Christian faith challenges some of the ideas and practice of contemporary economics, especially normative economics), but he has found the intellectual framework of Christianity valuable and the tensions creative. As someone like Ian, who is both a Christian and an economist, though with quite a different background, this has been my own experience after some early struggles. This has also been the experience of many other economists, past and present, and I and others have documented the influence of Christian theology on the formation of economics as a discipline in the late eighteenth and early nineteenth centuries.

As Harper notes, his 'happy complementarity' view of the relationship between economics and Christianity is not shared by many contemporary church leaders, professional theologians, and Christian ethicists. In many church circles, claiming to be a Christian economist, especially one who works in the mainstream of the profession, is a bit like claiming to be a Christian drug dealer or prostitute.

Why is this so? One explanation is that church people, especially church leaders, are simply ignorant of economics. In the United States, several foundations have supported programs to educate Christian clergy about economics so they can better deal with economic matters in preaching to their congregations and public statements. But economic literacy of the clergy, particularly an ignorance as a deep and persistent as found in church circles, does not provide a complete explanation.

A deeper explanation might be a fundamental incompatibility between economics and Christian faith. Rather than recognising an ignorance of economics, we wrongly credit church people with a profound understanding of the true nature of economics. For instance, the emphasis of economics (or at least economics framed, as it usually is, with utilitarian moral philosophy) on consequences sits uneasily with the traditional emphasis of Christian ethics on the dispositions of economic actors. Or that the methodological individualism of economics contradicts the community orientation of Christianity. Or the tension between the realism of economics and the utopianism of Christian ethics. These are complex issues that only a deeper understanding of the history and philosophy of both economics and Christianity can resolve.

At least some of the mutual incomprehension of economists and theologians seems wilful. It seems pretty clear that interests are served by the mutual incomprehension of economists and theologians. At least some of the ignorance seems wilful. An example. Like Ian I had

a year in Princeton University, with some funding for a project on international economics and a concurrent visiting position at Princeton Seminary, which is affiliated with the Presbyterian Church USA. The ethicist Max Stackhouse and I participated in a weekend workshop where the Presbyterian Church was crafting its policy on international trade. One could of course ask why the Presbyterian Church needed a policy on international trade. It turned out to be one of the most unprofitable days I have ever spent. A collection of ecumenical bureaucrats and theological ethicists from other Presbyterian institutions had flown in, and we heard hours of excoriation of the neo-liberal global economic order; any attempt to raise questions of evidence or logic was met with contemptuous glares. Of course, this was not a discussion but rather jockeying for the esteem of their fellow ethicists and for cushy church and ecumenical jobs. The last thing they wanted was competition for these positions from anyone outside the guild with a better grasp of the economic or theological issues, or worse, questioning the value of the whole enterprise.

For some economists, a snide dismissal of philosophical and theological questions is a mask for ignorance and a cover for smuggling their own unexamined philosophical commitments into the analysis. Harper comments on economists using their professional standing illegitimately to claim authority for their moral views (chapter 2).

Harper's book is a personal one—an apology—and a short one, so it is unreasonable to expect a full discussion of the historical

and philosophical relationships between economics and theology. But his brief comments (chapter 10) indicate there is more to Christian discussion of economics than the terrible Princeton Presbyterian gathering.

Ian's Harper's book is worth the purchase price on a number of grounds. He has the courage to write so personally, and writes clearly, making it engaging reading. Buy the book for someone you know who is thinking of studying economics, a church friend who thinks we would be better off without economists, or for an economist friend who would like an accessible account of what it is all about in the end. *Economics for Life* may not become a classic like Newman's *Apologia*, but it will benefit many readers.

**Reviewed by  
Paul Oslington, Australian  
Catholic University.**

*Flourish: A Visionary New Understanding of Happiness and Well-being*

**By Martin E.P. Seligman**

William Heinemann, Sydney  
2011

\$27.95, 349 pages

ISBN 978186412971

**M**artin Seligman's latest book seeks to develop a new theory of well-being. Much of *Flourish*, however, can be viewed as a sequel to his previous book *Authentic Happiness*. Seligman combines his views on what it means to flourish with self-help advice, an informative discussion of relevant research findings, and a discussion of his experience in teaching well-being in schools and the US Army.

The book also tells the story of Seligman's contribution to the development of positive psychology.

Positive psychology is a new branch of psychology which aims to achieve a scientific understanding of positive human functioning and develop effective interventions to help individuals, families and communities to thrive. Seligman's applications of positive psychology demonstrate that it involves a lot more than just being cheerful.

In developing his new theory of well-being, Seligman has dispensed with the word 'happiness' because its dominant connotation is inextricably bound up with being in a cheerful mood. This pulls the rug from under critics of 'authentic happiness', who claimed that he was attempting to redefine happiness by dragging in the desiderata of engagement and meaning. Seligman also sees a problem with 'life satisfaction' because mood may determine more than 70% of how much life satisfaction an individual reports. He makes the point that public policy aimed only at subjective well-being is vulnerable to the 'Brave New World' caricature in which governments promote happiness by encouraging people to use 'soma.'

Seligman derives his new theory of well-being by borrowing one of the questions that Aristotle asked: What is the good that we choose for its own sake rather than because it makes a contribution to something else that we value? Aristotle's answer was happiness. Of course, what Aristotle meant by happiness was human flourishing rather than just positive feelings,

emotional well-being, or life satisfaction. To Aristotle, flourishing involved developing 'our truly human capacities.'

By modifying Aristotle's question slightly, Seligman comes more directly to the question of what it means to flourish. He asks: What are the 'elements' that free people will choose for their own sake? He comes up with five such elements: positive emotion, engagement (being in the flow), relationships, meaning (purpose in life), and accomplishment (PERMA).

Although I agree with Seligman's five elements, I find it difficult to accept that PERMA incorporates all the elements that individuals would freely choose for their own sake. Other elements that individuals could choose for their own sake include health, safety, security, hope and control over their own lives. It is good to be healthy, quite apart from the contribution that good health makes to positive emotions, etc. It is also good to be safe—individuals experiencing PERMA are in a fool's paradise if there is a high risk of criminals taking their lives from them. It is good to feel secure—to feel that PERMA may be ongoing. It is good to have hope—when we don't have much PERMA, we are comforted by the hope that our lives could get better.

We also seek to have control over our own lives. A slave who experienced a high level of PERMA would not fully flourish because slavery denies her the opportunity to develop her capacity for self-direction.

