



Joost Hengstmengel, *Divine Providence in Early Modern Economic Thought*, New York: published by Routledge, 2019, 257 p.

Reviewer: Habtamu Alebachew Legass

“Divine Providence in Early Modern Economic Thought” by Joost Hengstmengel explores the relationship between theological concepts of divine providence and economic theories in early modern Western Europe. Joost Hengstmengel, a postdoctoral researcher at Tilburg School of Catholic Theology, Tilburg University, submitted his PhD thesis, “Divine Oeconomy,” to the Erasmus School of Philosophy at Erasmus University Rotterdam in 2015. His research focuses on the intersection of theology, philosophy, and economic thought. The book examines how divine providence was used to explain and justify economic practices, covering five key areas: international trade, division of labor, value and price, self-interest, and poverty and inequality. Hengstmengel demonstrates that theological ideas continued to shape economic thought beyond the medieval era, revealing their influence on modern economics.

The first part of “Divine Providence in Early Modern Economic Thought” explores the historical development of divine providence, tracing its origins from Greek mythology through early Christian theology. It discusses the broader context of atheism in earlier times and the limited number of avowed atheists. The author examines de-



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Legass, H.A. (2024). Book review [Review of the book *Divine Providence in Early Modern Economic Thought*.] Turkish Journal of Islamic Economics, 11(2), 212-216.



DOI: 10.26414/BR401
TUJISE, 14(2), 2024, 212-216
tujise.org



bates on the legitimacy of providence, its relationship with chance and fate, and its interplay with evil and human freedom. The book highlights the influence of classical and Christian thinkers, such as Plato, and the tensions between Greek-Roman and Jewish-Christian views. It concludes by emphasizing the ongoing significance of divine providence in shaping early modern perspectives on nature, history, and society, illustrating its impact on religious, philosophical, and intellectual thought.

Part 2 of “Divine Providence in Early Modern Economic Thought” examines international trade through the lens of divine providence. It discusses the substantial trade growth during the mercantilist era, marked by expanded traditional trading areas and new transoceanic routes, such as those to the Americas, India, and the Spice Islands. The section introduces the concept of comparative advantage, explaining how countries specialize in producing goods where they have relative efficiency due to factors like climate and resources and trade for goods they cannot produce as efficiently. This specialization allows nations to obtain a broader range of goods. It also covers pre-classical views on trade as an exchange of surpluses to meet basic needs and emphasizes national interdependence. Additionally, the book explores how divine providence is used to explain the uneven distribution of resources globally, reflecting a theological perspective on international trade. However, the section could benefit from a deeper exploration of the specific theological doctrines that shaped economic thought and a clearer linkage between these religious ideas and the economic theories of the period. Additionally, while the focus is on early modern trade, an expanded discussion on how these ideas have influenced contemporary trade practices and a broader comparative perspective on global trade would further enrich the analysis.

Part 3 of “Divine Providence in Early Modern Economic Thought” explores the concept of the division of labor, highlighting its divine significance in societal organization. It examines the division of labor as associated with Adam Smith, detailing three types: manufacturing or technical, social, and international. The chapter acknowledges earlier contributions from economists like William Petty, Henry Martyn, and Bernard Mandeville, and traces its origins to Greek-Roman thinkers, early Christian Fathers, and medieval theologians. It delves into the theological context, noting the belief in divine distribution of gifts and its integration into Christian thought. The book emphasizes that the division of labor, particularly in social and international contexts, is seen as part of a divine plan, promoting social cooperation and addressing human needs effectively. This section effectively connects the division of labor with divine ordering, it could benefit from a more detailed exploration of how these

theological ideas were specifically reflected in Smith's writings and economic theories. Additionally, expanding on how the concept of the division of labor has evolved beyond early modern thought to influence contemporary economics would provide a more comprehensive understanding of its significance.

Part 4 of "Divine Providence in Early Modern Economic Thought" addresses the concept of value and price, focusing on the paradox of why essential goods can be inexpensive while less useful goods are costly. It begins by discussing Adam Smith's recognition of this paradox and his differentiation between value-in-use and value-in-exchange. The chapter traces the historical origins of this paradox to classical antiquity and Greek philosophy, noting that the Greeks understood the role of scarcity in pricing and recognized that conveniences often had higher exchange value than necessities. It also explores the theological notion of a providential abundance of necessities, suggesting that God has provided essential goods in great quantities to support human life. While the concept of providential abundance is discussed, the chapter could benefit from a clearer link between these religious ideas and the economic mechanisms of value and price. Additionally, exploring how these early modern views have evolved and their relevance to contemporary economic theories would offer a more thorough understanding of their lasting impact.

Part 5 of "Divine Providence in Early Modern Economic Thought" investigates the concept of self-interest and its evolution in economic thought, framed as "the invisible hand of God." The chapter tracks the historical shift from viewing self-interest with suspicion and condemnation in ancient and pre-modern times—when economic activity was considered secondary to non-material pursuits and self-interest was seen as undermining community stability. With the rise of mercantilism in the sixteenth century, self-interest began to be recognized as a driving force behind economic progress, although concerns about conflicts between private and public interests remained. During the Enlightenment, there was increased acceptance of self-interest, coupled with the belief in the potential for harmonizing individual and collective interests. This period acknowledged the public benefits of self-interest, such as economic growth and prosperity, and saw the term evolve to encompass broader meanings beyond mere economic gain. The chapter provides a valuable historical overview but could benefit from a more nuanced analysis of how theological concepts were reinterpreted to accommodate self-interest. A deeper examination of how changing religious perspectives influenced economic theories and how the "invisible hand of God" continues to impact modern economic thought would offer richer insights into the relationship between theology and economics.

Part 6 of “Divine Providence in Early Modern Economic Thought” examines poverty and inequality during the early modern period, highlighting their persistence despite growing wealth and prosperity. The chapter discusses various factors contributing to poverty, such as recurring crop failures, epidemics, wars, and the rise of capitalism. Estimates suggest that a substantial portion of the population, ranging from one-third to over three-fourths, experienced poverty or extreme deprivation. The chapter emphasizes that poverty was a significant issue, prompting the development of social policies aimed at alleviation. It notes that poverty was not only a concern for political authorities but also for middle-class intellectuals who engaged in public debates about pauperism. Some viewed poverty as a result of moral deficiency or divine punishment, while others saw it as a part of a providential plan ordained by God. The chapter effectively provides historical context and illustrates how theological views on divine providence influenced perceptions of wealth and poverty. However, it could benefit from a more detailed exploration of the specific theological doctrines used to justify economic disparities. Additionally, a critical examination of the practical implications of these beliefs on socio-economic policies and social attitudes, along with their influence on contemporary views, would offer a more comprehensive understanding of their lasting impact.

Examining Joost Hengstmengel’s “Divine Providence in Early Modern Economic Thought” from an Islamic perspective reveals how religious beliefs and economic theories intersect across cultures. Islamic economics, rooted in concepts such as divine providence, ethical behavior, and social justice, focuses on fair wealth distribution and trust in God’s provisions. This contrasts with early modern European economic theories discussed by Hengstmengel, which often approached economics from secular or utilitarian viewpoints. Islamic economic philosophy, as explained in Muhammad Akram Khan’s “An Introduction to Islamic Economics,” incorporates principles like *Tawakkul* (trust in God) and *Rizq* (sustenance from God). These principles guide practices towards ethical behavior and community welfare. Key elements such as *Zakat* (mandatory almsgiving) and *Sadaqah* (voluntary charity) emphasize the influence of divine providence on economic behavior and ethical responsibility. Scholars including Ziauddin Sardar, Humayon A. Dar, Tariq Alrifai, and Hans Visser highlight Islamic economics’ focus on foundations, such as the prohibition of interest and equitable wealth distribution. These scholars explore how Sharia-compliant practices and social justice shape economic behavior. In contrast, early modern European economic thought, as discussed by Hengstmengel, often lacked such religious grounding, reflecting different theological influences. Hengstmengel’s study, which appeals to scholars of economic history,

theology, and philosophy, demonstrates how theological perspectives have historically influenced economic thought and offers insights into the cultural and intellectual dynamics of early modern Europe. Hengstmengel's interdisciplinary study, appealing to scholars in economic history, theology, and philosophy, uncovers how theological perspectives historically influenced economic thought, offering insights into early modern Europe's cultural and intellectual dynamics.