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Critique of Neo-liberalism in Liberation Theology

Master's Thesis

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Introduction

1. Justification of Topic

Liberation theology emerged in the end of 1960s from the sociopolitical context of Latin America. Latin American sociopolitical context at that time was characterized by widespread economic and political problems. Liberation theology positioned itself as an anti-capitalist theology. It set its task to criticize capitalist market economy and the structural problems that it created. Liberation theology's anti-capitalist critique combined Marxist social analysis and Christian theology. In decades following the birth of liberation theology Latin American sociopolitical context changed dramatically. Latin America moved toward the economic and political liberalization. Dramatic changes also took place in the global context. The demise of the Socialist Bloc undermined the credibility of leftist politics and therefore Marxist theory. The world entered into neo-liberal capitalism without a seeming alternative. These changes undermined the position of liberation theology and it apparently went out of fashion. By the end of the 1990s the common understanding in theological circles was that liberation theology was in deep crisis and had lost its relevance.¹

Despite the common understanding about the demise of liberation theology there has been a strong revival of liberation theology in recent years.² Liberation theology is recovering its theological project by developing a radical critique of neo-liberal capitalism that goes beyond the traditional themes of Christian ethics

² A collection of programmatic essays about the possible future of liberation theology's enterprise in the context of neo-liberal capitalism was published in 2005 as Petrella, Ivan (Editor). Latin American Liberation Theology. The Next Generation. Orbis Books, 2005
and economy. The aim of contemporary liberation theology is radical critique of market economy that goes beyond traditional approaches to ethics and economy. Liberation theology's hypothesis is that neo-liberal capitalism is based on certain theological assumptions, and as such, can be analyzed as religion.

The aim of my thesis is to present a systematized overview of key theoretical problems and debates related to liberation theology's critique of neo-liberal capitalism.

My choice of topic is justified on two grounds. First, liberation theology has a novel approach to theology and economics. Liberation theology's approach to neo-liberal capitalism as religion is an important contribution to the study of economics and religion. And second, the revival of liberation theology in the beginning of the 21st century is still mostly unacknowledged. There are no works yet that would specifically focus on liberation theology's critique of neo-liberalism. With my thesis I hope to contribute to overcoming that deficiency.

2. Methodology

The methodology used in my thesis is qualitative analysis based on source texts with the aim of mapping and systematizing key theoretical ideas. The intention is to provide an interpretative overview of the topic at its current state.

My thesis focuses on those aspects of liberation theology that are related to religion and economics in the secular society. The central theme that permeates my thesis is the concept of market in neo-liberalism and its critique in liberation theology. Because of the multifaceted nature of the topic - and liberation theology's unusual theological method - I will also engage with authors outside the field of liberation theology.

Because of the limits set to this work it is inevitable that some of the topics will be discussed only in brief or will be omitted completely. It is not my intention to present a thorough overview about the discourse on secularization. This is a very broad and complex topic that falls outside the general aim of my work. Also I will not discuss liberation theology's relationship to political theories. Even
though the questions of economics and politics are closely related in liberation theology, it is not possible to discuss those relationships here. Another set of theories related to economics and politics in liberation theology that I will exclude can be summed under the term post-colonial theory.

3. Overview of the Research Topic

The questions of economy are not unknown to theology and there is a wealth of literature about Christianity, ethics and economy. Despite the growing number of works addressing issues of Christian ethics and economy so far the religious and theological aspects of economy and economic theory have been mostly unexplored.

Sung claims that most of the literature on the topic of Christianity and economy is mainly concerned with the problems of organizing economy and business ethically. When economics is addressed by Christian theology the focus seems to be on the question of how to run economy in a such way that it is compatible with Christian values. Christian theology is mainly concerned with how to inject Christian values into current capitalist economic system and subjugate it to ethics. This means theorizing about variety of problems like self-interest, usury and social justice.

Another dominant approach taken by economists and theologians alike is to study practical consequence of religion to economics. This can be called the functionalist view. The functionalist view focuses on the practical role of religion in running the economy in a most efficient way. According to the functionalist view religion and ethics are important to economic behavior because the ethical behavior helps to generate social virtues that, in turn lead to smaller “transaction costs”, and thus, improved economic efficiency. In a functionalist approach religious values are considered to be important because of their influence on the economic actions and preferences of social agents.

3 Sung, Jung Mo. The Subject, Capitalism, and Religion. Palgrave Macmillian, 2011. p. 95
From the perspective of theology both of these approaches are somewhat problematic in the context of pluralistic secular society. Plant in his *Politics, Theology and History* raises the question of what theology can contribute to the analysis of market economy in modern secular society.\(^5\) He argues that even though it might be obvious *prima facie* that theology addresses economic questions in modern society, on deeper inspection this proves to be problematic. This is so because of moral relativism and individualism upon which modern liberal society is built. These values are often in stark contrast with theological conceptions of social justice, community and common good. Opinions of theologians and church leaders are only one among many other possible opinions. A similar view is put forward by Sung.\(^6\) He claims that theologians and religious leaders try to regulate economy by forcing upon it religious values that are external to economic logic. According to Sung, theological critique from such perspective is not effective because it is understood and accepted only by those who share the same religious tradition.\(^7\)

Adjacent to these questions is a problem of competency. Warner commenting on the causes of secularization points out that theologians and church leaders often seem to lack the needed expertise for saying anything meaningful about society.\(^8\) This, in turn, leads frequently to the dogmatic and authoritarian interventions to non-religious domains on the part of religious functionaries.\(^9\) As religion has declined in society, theologians and church leaders have been demoted from their position of authority in public matters. Intervention into public matters by theologians and church leaders who base their opinions solely on religious dogmas are further undermining their position in society by appearing as amateurish and incompetent.

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From the perspective of theology and economics the question then is how to avoid making theology into second-class economic theory. For theological critique to be meaningful it has to take into account the pluralistic secular context and economy as an autonomous sphere in this context. At the same time theology has to retain its connection with the religious tradition from which it originates.

Liberation theology has tried to overcome this problem by presenting a prophetic critique based on biblical tradition. At the same time liberation theology puts forward a hypothesis that “modern economy is based on certain theological presuppositions and sacrificial notion of sacred that must be criticized theologically”. Liberation theology's approach makes the economic system itself the object of theological critique. The distinction between economic/theological is overcome by showing that the economic system has an implicit religiousness and endogenous theology.

Economic system is a structure that conditions human actions. As already pointed out, traditionally theology has often focused on ethics of intentional actions of social agents. But actions of social agents are also conditioned by institutions – socioeconomic structures – in which these actions take place. Socioeconomic structures might have an influence to intentional actions of social agents in a way that these actions have unintentional consequences. Thus theological reflection about ethics and economy should not be restricted to intentional actions, but should also consider the social structure itself as “an ethically relevant space”.

According to Dussel, the framework of traditional moral theologies has to: “Consider 'norms' (laws), values, virtues, good and evil, the problem of language, of technology, and even of peace, without ever questioning the 'system' as such”. The aim of liberation theology is a more radical critique of capitalist market economy than found in traditional moral theologies. Liberation theology is not focused on achieving moral capitalism but it questions the system of capitalism itself. If capitalism is based on certain theological presuppositions and sacrificial

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10 Sung, Jung Mo. *Theology, Spirituality and the Market*. p. 69
11 Ibid.
12 Sung, Jung Mo. *The Subject, Capitalism, and Religion*. p. 107
notions of sacred then it is the system itself and its effects to social agents that
need to be the object of theological critique.

4. The Context of Modern Liberation Theology

Before proceeding, a short overview of the development of liberation theo-
logy is necessary to understand its position vis-a-vis neo-liberal capitalism. Liber-
ation theology is a contextual theology and its positions are based on the reflec-
tion of the prevalent sociopolitical order. As the context of liberation theology has
changed in profound ways since the birth of liberation theology, liberation theo-
logy's positions have also changed. Historical context of modern day liberation
theology differs in many ways of the late 1960s when liberation theology was
born.

Liberation theology emerged in the late 1960’s from the revolutionary soci-
opolitical situation of Latin America. Ecclesial and theological developments of
the Second Vatican Council (1962-1965) opened up a new way of thinking about
the relationship of Christian theology and secular society. The theological focus of
Latin American Catholic Church moved to the engagement with politics, econ-
omy, and development.14 Papal encyclicals Mater et Magistra and Pacem in Ter-
ris directed Church's attention to problems of workers' rights, social justice and
the global problems of poverty and development. Vatican II led Latin American
theologians to put more emphasis on the particular social contexts where they op-
erated and encouraged Christian community to engage more with the secular
world, especially with those who were socially disadvantaged.15

In politics the Cuban revolution (1959) that overthrew U.S. supported leader
Fulgencio Batista served as an inspiration for revolutionary socialist politics in
whole Latin America.16 Also, the failure of import substitution models of eco-

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Latin American elites responded to the radicalization of politics and growing popularity of socialist option by supporting dictatorships over democracy throughout Latin America. 18 1964 Brazilian coup d'état started a period of dictatorships that by the mid-1970s had spread to most Latin American countries.

Though the responses varied from state to state, the Church for the most part challenged the military dictatorships by using theological tools that became available post-Vatican II, and sided with those of suffering because of the prevalent political and economic repression. According to Petrella, there were four central themes in Latin American theology at that time: 1. dichotomy between reformist and revolutionary political action with the primacy given to former; 2. the poor as a primary agent of social change; 3. preference of socialism over capitalism in economic thinking; 4. the vision of politics as a struggle for state power. 19

With the fall of the Berlin Wall in 1989 the socialist alternative was discredited in the public discourse. Francis Fukuyama has stated that the fall of the Berlin Wall heralded the arrival of the “end of history”. 20 By “end of history” Fukuyama means the final victory of Western-style liberal democracy as a form of political government and capitalism as a universal economic system over all other forms of political governments and economic systems in the development of world history. The triumph of Western-style consumerist culture symbolized the total exhaustion of all other possible forms of government and economics. For liberation theology this meant the loss of a concrete practical alternative to capitalism. 21 Also it raised the question of viability of Marxist theory as a central social scientific approach for mediating between theology and sociopolitical reality. When Marxism fell out of fashion the same fate seemed to befall on liberation theology. 22

Since the 1990s there has also been a movement towards the democratization in Latin American politics. Democratization of politics in Latin America did not lead to the transfer of power from the ruling elites to the popular masses but the
outcome was rather what Smith calls “illiberal democracy”. Illiberal democracy can be defined as a political arrangement where free and fair elections of political leaders existed side by side with the systematic restriction of basic rights. Therefore, democracy in Latin America has had conditional support in Latin America since the 1990s. Popular masses endorsed democracy in principle but in practice there was a widespread disappointment in democratic process. It could be claimed that democratization led to de-politization of politics in Latin America.

Democratization in Latin America was a part of a new emerging social utopia of neo-liberal capitalism. There has been a general weakening of the state power and state's ability to control national currency, financial speculation and economic processes. Free-market reforms have given priority to international free trade agreements and this in turn has diminished state's ability to control economy and introduce any thorough social reforms. During the 1990s in Latin America the market replaced state as a primary mechanism for organizing society and determining the direction of change. Neo-liberal policies also led to a new configuration of power that produced a more refined system of domination under electoral democracies. Moreover, since the 1990s left-wing politics started gradually to lose its importance partly due to neo-liberal economic reforms that undermined the workers' rights and organized labor.

By the 2000s it was evident that the neo-liberal model did not generate expected results. Neo-liberal policies had not bought about the expected economic growth. Moreover, neo-liberal policies were also unable to prevent economic

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24 Ibid.
30 Smith, Peter H. *Democracy in Latin America. Political Change in Comparative Perspective*. p. 323
31 Kirby, Peadar. *Introduction to Latin America. Twenty-First Century Challenges*. p. 65
backward movement. This led to a period of economic downturn and full-scale economic crises between 1999 to 2002 that swept the whole region. As pointed out by Kirby, neo-liberal policies did not benefit the general majority of the population, but had an overall effect of strengthening economic and political power of the ruling elites. At the same time for the majority of the population the structuring of society in accordance with neo-liberal ideas meant increasing inequality and the persistence of poverty. The problem of neo-liberal policies were summed up by World Bank economist Stiglitz as follows:

“What growth has occurred has largely benefited the already relatively well off /.../, those at the bottom have not shared the gains. They were told that market reforms would bring them unprecedented prosperity. Instead, it has brought unprecedented instability. Why should they continue to believe in these reforms?”

Contemporary liberation theology has responded to these changes by re-evaluating some of its key theoretical positions while at the same time reaffirming the commitment to disadvantaged population of society. It is in the context of failed neo-liberal policies and lack of alternative vision to the status quo that contemporary liberation theology has developed its critique of neo-liberal capitalism. The main questions for contemporary liberation theology is how neo-liberal capitalism has managed to become a dominant system without alternative, and why people continue to believe in it despite the evident failures of the system.

34 Kirby, Peadar. Introduction to Latin America. Twenty-First Century Challenges. p. 66-67
5. Literature Review

There is a wealth of literature on the topic of neo-liberalism. Its development and effects in Latin American and global context are well documented. It is much more difficult to find literature on religious aspects of neo-liberalism. It seems that religious aspects of neo-liberalism have not yet been properly studied. This seems to be the case especially outside the liberation theology.

Contemporary liberation theology is still quite new and unknown to general public. Because of that the amount of literature is still limited. Moreover, most of this literature is absent from Estonian libraries. Also, even though an increasing amount of work of the contemporary liberation theology is written and published in English, some of the important works remain untranslated from Spanish or Portuguese.

The body of primary literature on neo-liberalism consist of the work by well-know and distinguished authors on the subject. A collection of essays edited by Saad-Filho & Johnston under the title “Neoliberalism. A Critical Reader” looks the phenomena of neo-liberalism from various theoretical perspectives. It provides overview of most important theoretical approaches to neo-liberalism. Also the experiences of neo-liberalism in different states are discussed. David Harvey's work on neo-liberalism (“A Brief History of Neoliberalism”, “The Condition of Post-modernity. An Enquiry into the Origins of Cultural Change” & “Spaces of Neoliberalization: Towards a Theory of Uneven Geographical Development”) is focused on the historical development of neo-liberalism and its effects of modern society. Harvey, in his work, provides a comprehensive overview of the main characteristics of neo-liberalism. He discusses the most distinct features of neo-liberal ideology, its development and effects to culture, economy and politics. Rachel S. Turner's work “Neo-Liberal Ideology: History, Concepts and Policies”.

approaches the subject of neo-liberalism from a perspective of history of ideas. Turner's work deals with the intellectual foundations of neo-liberalism that she traces back to 19th century liberalism. Turner's work also gives overview of the core concepts like market, the state, social well-fare etc. in neo-liberal ideology.

Robert H. Nelson's “Economics as Religion: From Samuelson to Chicago and Beyond”\(^4\) is one of the few works on the subject of implicit theology in economics from the viewpoint of economic scientist. Nelson argues that economics is like religion that has its own priesthood, theology and ethics. He analyzes works from various schools of economics and show how they have their own theology.

The primary body of work on liberation theology consists of mainly new literature since the mid 2000s that is published in the Reclaiming Liberation Theology series by SCM Press and New Approaches to Religion and Power by Palgrave Macmillan. Jung Mo Sung's work on economy and theology has probably had the most influence to contemporary liberation theology. Sung's “Desire, Market, and Religion”\(^4\) provides a novel approach to theological critique of neo-liberal capitalism. Sung analyzes how neo-liberal capitalism reinforces its hegemonic position through implicit theology. Other work by Sung titled “The Subject, Capitalism, and Religion”\(^4\) is a collection of reworked articles that debate with various neo-liberal thinkers. In this work Sung's focus is on how various concepts from natural sciences are used to legitimatize capitalist market system. In addition to books I have also used several articles by Sung. “Beyond the Spirit of Empire”\(^4\) by Nestor Miguez, Joerg Rieger and Jung Mo Sung combines the work of three theologians into a multidisciplinary approach to neo-liberalism. Authors draw from Marxist, postmodern and post-colonial traditions and engage with economic and political sciences to criticize neo-liberalism. Joerg Rieger's work “No Rising Tide: Theology, Economics and the Future”\(^4\) is similar to that of Sung. He discusses mostly the same problems as Sung but in the context of US and Europe. Rieger's

\(^4\) Sung, Jung Mo. Desire, Market and Religion. SCM Press, 2007
\(^4\) Sung, Jung Mo. The Subject, Capitalism, and Religion. Palgrave Macmillian, 2011
\(^4\) Miguez, Nestor; Rieger, Joerg; Sung, Jung Mo. Beyond the Spirit of Empire: Theology and Politics in a New Key. SCM Press, 2009
work deals with the question of how transcendental concepts are embedded in economics and how they are used to legitimatize certain economic policies. He argues that economics has its own “images of God” that give hope during the economic crises and legitimatize the dominant system. Ivan Petrella “Future of Liberation Theology: An Argument and Manifesto” reviews some of the developments in liberation theology during the 1990s and earlier. He discusses how liberation theology could recover its theological project in a changed context and criticizes various positions of earlier liberation theology. Petrella's focus is mainly on the political aspects of liberation theology. In “Beyond Liberation Theology: A Polemic” Petrella continues its exploration of future possibilities of liberation theology. He argues that the context of contemporary liberation theology is global poverty caused by neo-liberalism. Petrella also discusses how social sciences can be integrated with liberation theology. Mario Aguilar's three-volume work “The History and Politics of Latin American Theology” provides an overview of the history of Latin American liberation theology from its birth to the mid 2000s. The first two volumes present the historical development of liberation theology with focus on the relationship of political ideas and liberation theology. Aguilar presents biographies of various key theologians and discusses their importance to liberation theology in the past and present. In the third volume Aguilar presents his own views about the politics of liberation theology. Jose Comblin's “Called for Freedom: The Changing Context of Liberation Theology” evaluates critically the state of liberation theology at the end of 1990s. Comblin looks at how the context of liberation theology has changed since the birth of liberation theology. He discusses changes in catholic theology, culture, politics, and economics and what kind of challenges these provide for liberation theology. Franz J. Hinkelammert belongs among older generation liberation theologians who started writing during...

the 1970's. His “Ideological Weapons of Death: A Theological Critique of Capitalism”\textsuperscript{49} is an important contribution to liberation theology's analysis of capitalism. Hinkelammert develops his criticism of capitalism by drawing from Marx's analysis of fetish and Christian materialism. He argues that liberation theology is a theology of life that counters capitalism as a system that generates social exclusion and misery. Hinkelammert's new work with Ulrich Duchrow ("Property for People, Not for Profit" & "Transcending Greedy Money. Interreligious Solidarity for Just Relations")\textsuperscript{50} continues his critique of capitalist institutions. Hinkelammert and Duchrow study the historical development of capitalist private property and its critique in various religions and streams of secular thought.

6. Definition of Terms

\textit{Liberation theology}. Since its birth Latin American liberation theology has had a profound influence on theological thought around the world. It has inspired many different variants of liberation theologies in different contexts of oppression. This raises the question: can one talk about liberation theology in singular? Floyd-Thomas and Pinn list 10 different variants of liberation theology in their overview of modern liberation theologies.\textsuperscript{51} Their overview excludes the traditional Latin American variant of liberation theology, as well as Islamic versions of liberation theology. This indicates that there is no single unified school of theological thought that can be called liberation theology. There are now various sexual, cultural and indigenous streams of liberation theology in existence. Moreover, it could be argued that there is no geographically defined liberation theology. So it is questionable if one can speak about liberation theology in singular.

Despite this I will use the term in singular – liberation theology. My rationale behind this position is as follows. The focus of my thesis is on liberation theology which has self-consciously revived the project of classical Latina American libera-


\textsuperscript{51} Floyd-Thomas, Stacey M. Pinn, Anthony B. Liberation Theologies in the United States: An Introduction. New York University Press. 2010
tion theology. Liberation theology in this sense takes as its starting point the experience of Latin America, but it is not strictly limited to it due to global nature of neo-liberal capitalism. Agreeing with Aguilar, this could be called the third generation of liberation theology. Even though not all third generation liberation theologians are geographically located in Latin America, Latin American experience of neo-liberalism forms the underlying basis of their theological project. To a certain extent I will also engage with the work of second generation (active in the 1980s) and first generation (active in the 1960s and 1970s) liberation theologians, because of the continued relevance of their theological ideas to the topic of my thesis.

What connects the authors used in my thesis is a materialistic discourse. It is the common denominator that makes it possible to talk about liberation theology in singular in my thesis. Materialistic discourse is centered around the economic aspects of neo-liberalism. This means that I will exclude any cultural, sexual and gender liberation theologies to the extent that they are not specifically focused on the economic side of neo-liberal capitalism.

**Neo-liberalism.** For analytical purposes two aspects of the term can be distinguished. First, neo-liberalism refers to a historical period in the development of capitalism. As such the term describes a particular form of social organization and a set of institutions. And second, neo-liberalism refers to a particular set of ideas about how society should be organized.

Liberation theology uses the term often interchangeably with terms neo-liberal capitalism and capitalism and neo-liberal ideology. I will also use the term neo-liberalism synonymously with the term neo-liberal capitalism to refer to the first aspect. I will use terms neo-liberal theory and neo-liberal ideology synonymously to refer to the second aspect.

**The Market.** A comprehensive definition of the term is given in the next chapter. Market is an economic institution in which the exchange of goods happens. Market is also a central theoretical concept in neo-liberal ideology. According to neo-liberal theorists societies should regulate all social relations according

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to market logic. This is seen as a foundation of common good that benefits all. I will use the term in this double sense throughout the work.

7. Problems Encountered During Research

The most challenging task in my research into liberation theology was to systematize the findings into distinct topics. It is evident that there are central themes permeating liberation theology's critique of neo-liberalism. These themes are repeated from book to book, and from chapter to chapter in most books. But due to the multifaceted nature of neo-liberalism and the multidisciplinary approach of liberation theology categorizing those themes into a coherent system proved a challenging task. In its critique of neo-liberal capitalism liberation theology draws its arguments from many different fields. Economics, political theory, social psychology, post-colonial theory and Marxism are only some of the examples. Also because some of the problems can be approached from several perspectives, it is inevitable that there is some overlap between the different chapters.

8. Thesis Overview

I have structured my thesis so that it will flow from more general topics toward a specific critique of neo-liberalism in liberation theology. In chapter 1 “Conceptualization of Key Terms” I will discuss two core subjects related to the liberation theology's critique of neo-liberalism. In 1.2 I will present an overview of the most characteristic aspects of neo-liberalism. In 1.3 I will discuss liberation theology's understanding of religion. Liberation theologians argue that in capitalism religion has transformed into a new form and is embedded in the institution of market. This claim is based on the understanding of religion that differs from the traditional meaning of the term. How religion is defined in liberation theology is discussed in 1.3.2. In chapter 2 “Critique of Neo-liberalism in Liberation Theology” I will discuss specific critique of neo-liberalism in liberation theology. In 2.2 I will analyze liberation theology's relationship to economy and economic science. Liberation theologians argue that there is an implicit religion in economy and that economic science can be seen as a form of theology. In 2.3 I will then discuss two examples of critique of market in liberation theology.
1. Conceptualization of Key Terms

1.1 Introduction

In this chapter I will discuss two topics. In the first part of this chapter, I will define neo-liberalism. Because neo-liberalism is a topic that does not usually fall under the scope of traditional theology, it is necessary to give at least a summary of the phenomena. I will focus on the main aspects of neo-liberalism that provide the foundation for understanding the polemic in liberation theology. In the second part of this chapter I will discuss liberation theology's position toward the secularization theory. Liberation theology's understanding of modernity is closely related to its critique of neo-liberalism. Liberation theology's critique of neo-liberalism is based on anthropological understanding of religion that will be discussed in the second part of this chapter. This will provide a foundation for understanding liberation theology's claim that in modern society religion is embedded in economy.

1.2 Neo-liberalism

1.2.1 Neo-liberalism as Social Context and Ideology

Defining neo-liberalism is no easy task because of the all-encompassing meaning of the term. According to Saad-Filho and Johnston, methodologically the problem lies in the fact that neo-liberalism is not a mode of production, meaning, that neo-liberal experiences do not include a defined set of invariant features that can be expected, for example, in studies of “capitalism”. What can be summed up under the term of “neo-liberalism” is a complex set of ideas and social practices that influence many aspects of society like economics, politics, culture and ideology. This means that a comprehensive definition is not possible due to

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limits of this work. I will narrow my definition to those distinctive features of neo-liberalism that are important in the context of my thesis.

The term “neo-liberalism” is used in economic and political literature to designate a period in the history of capitalism that started in the 1970s. In the case of Latin America neo-liberalism started in Chile in 1973 with a coup that replaced Salvadore Allende’s socialist government with the dictatorship of Augusto Pinochet. Pinochet’s power was accompanied by neo-liberal economic policies devised under the guidance of the economist of the Chicago School. In the 1990s there were a period of “neo-liberal reformation” throughout Latin America that saw an increased implementation of policies based on neo-liberal ideology. In Europe the period of neo-liberalism started with Margaret Thatcher’s rise to power in 1979 in the UK.

Conceptually neo-liberalism can be defined as a particular organization of capitalism that protects interests of capital, as an ideology of the market and private interests as opposed to state intervention, and as a belief into the superiority of markets as the best form of social organization. Harvey defines neo-liberalism as “a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade”.

Two aspects of neo-liberalism should be distinguished for analytical purposes: neo-liberalism as an historical period and neo-liberalism as a set of ideas. In the first case neo-liberalism is a particular sociopolitical context. Neo-liberalism in that sense is characterized by a growing inequality between social classes, general

55 Kirby, Peadar. Introduction to Latin America. Twenty-First Century Challenges. p. 51
commodification of all aspects of life, increasing international mobility of capital and financialization of economy, intrusion of market relations into the fields of life that have previously operated on some other principle than profit motive, and the decline of the nation-state as a provider of public services and welfare.\textsuperscript{60}

In the second case neo-liberalism is a set of theoretical ideas and justifications – an ideology. The origins of neo-liberal ideology can be traced back to the economic philosophy of Austrian School of economics that emerged in the late 1930s.\textsuperscript{61} Neo-liberalism as an ideology emerged as a response to the collectivist ideas of the age. It built upon a set of economic theories that tried to counter the totalitarian collectivism (National Socialism in Germany) and state planning (Keynesian economic policies of UK and U.S.) by positing the impossibility of state planning.\textsuperscript{62} In the 1980s and 1990s ideology of neo-liberalism was promoted by various economic departments of universities, NGO's, political think-tanks, right-wing media and politicians.\textsuperscript{63}

Clarke claims that neo-liberal ideology is presented by neo-liberal theorists as an economic science.\textsuperscript{64} But neo-liberal ideology is not merely an economic theory or neutral economic science. It is a worldview with its own specific understanding about the nature of society, humans and morals. Moreover, neo-liberalism is not a theory of how the world is, but rather how it should be.\textsuperscript{65} This is well illustrated by a quote of Margaret Thatcher who was a well-known supporter of neo-liberalism.

\begin{thebibliography}{99}
\item \textit{Ibid.}
\end{thebibliography}
According to Thatcher: “Economics is the method, but the object is to change the soul”.66

Neo-liberal ideology includes a set of theoretical presuppositions that are deduced from the idea of market as a central organizing principle of society. According to neo-liberal theorists all aspects of human activity should be subjugated to the logic of market exchange.57 Subjugating all fields of society to the logic of market exchange presupposes a specific vision of the possible future world. It also presupposes a specific understanding of the nature of society, humans and ethics. For example, neo-liberal theorists support limiting state power to minimum and removing any state support mechanisms that protect workers' rights and provide social welfare.68 According to neo-liberal theorists all forms of social solidarity should be discouraged. Instead social solidarity should be replaced with values of individualism, entrepreneurship and private property.69

1.2.2 The Concept of Market in Neo-liberal Ideology

The central concept in neo-liberal ideology is the market. The concept of market is an inseparable part of neo-liberalism that makes it to stand out as a distinctive ideology.70

In economic theory market is defined as a mechanism for buying and selling goods and services.71 In market goods and services are exchanged between different market actors and market includes an entire set of interactions between those actors. Market mechanism is considered to be a basic instrument through which society solves three fundamental economic problems every society must address: what type of commodities are produced, for whom they are produced, and how

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69 Harvey, David. Spaces of Neoliberalization: Towards a Theory of Uneven Geographical Development. p. 12
they are produced.\textsuperscript{72} From the standpoint of economic models there is no difference if the commodities produced are physical items as physical goods, services or non-physical commodities like intellectual property. The economic model of markets predicts behavior of market actors in relation to each other and general market conditions, the fluctuation of prices in relation to supply and demand, and how unregulated markets operate specific theoretical conditions. The same economic model of market applies to anything that can be bought and sold.\textsuperscript{73}

In capitalist economy market is an institution that mediates between buyers and sellers. Buyers and sellers come together in market to exchange their goods and services in accordance with prices determined by market conditions. An unregulated market will determine the optimal distribution of goods and the lowest possible prices for those goods. In a properly functioning market economy the market mechanism acts “to ensure that society reaches its maximal productive potential”.\textsuperscript{74}

For neo-liberal theorists market institution is “sacrosanct”.\textsuperscript{75} Market is considered to be the foundation of properly functioning economy. Neo-liberal theorists believe that if market is left to function without intervention it will serve optimally all economic needs and generate common good that benefits everybody.\textsuperscript{76} This belief is tied to adjacent belief that economic crisis and problems happen due to intervention into the functioning of market. If market economy generates poverty, social exclusion and unemployment then this is explained by the restrictions or intervention to the market by state, labor unions or cultural practices.\textsuperscript{77} The belief into markets by neo-liberal theorists is well summed up by Comblin: “Neoliberalism preaches that the free market is the solution to all problems: it advocates the destruction of barriers and borders that hinder the free circulation of

\begin{thebibliography}{99}
\bibitem{blank} Blank, Rebecca; McGurn, William. \textit{Is the Market Moral?: A Dialogue on Religion, Economics, and Justice}. p 14
\bibitem{nelson} Nelson, Robert H. \textit{Economics as Religion. From Samuelson to Chicago and Beyond}. p 55
\bibitem{turner} Turner, Rachel S. \textit{Neo-Liberal Ideology: History, Concepts and Policies}. p. 115
\bibitem{ibid} Ibid.
\end{thebibliography}
goods or capital. If the free market causes problems, the remedy is always the same: more market.\textsuperscript{78}

The paradigmatic position of neo-liberal theory is that market capitalism is a superior form of economic organization when compared to all other forms of economic organization.\textsuperscript{79} This view is augmented by the strong support of globalization of capital and extension of market to all parts of the world. Neo-liberal theorists believe that free market processes are the foundation of Western civilization.\textsuperscript{80} The Western style capitalist model is seen as an example for other countries. Therefore, neo-liberal theorists argue for a global market that would extend benefits to the whole world.\textsuperscript{81}

As pointed out by Turner, in neo-liberal ideology the concept of market goes beyond the economic theory.\textsuperscript{82} Market is also seen as a primary form of social organization in general. Neo-liberal theorists argue that market logic should extend to all areas of human activity.\textsuperscript{83} Market is also an ethical system that guides human actions and is capable of replacing all other forms of ethics.\textsuperscript{84} Market ethics is based on the understanding of a society that consists of rational self-interested individuals whose primary motive is to maximize their own profit in a most efficient way. Concepts like social welfare and social justice are closely related to this market ethics. Any success or failure that social actors experience are are put down to due to their own personal capabilities or the lack of them. As Harvey points out, in neo-liberal ideology the structural problems of the system itself are never questioned.\textsuperscript{85}

\textsuperscript{78} Comblin, José. Called for Freedom. The Changing Context of Liberation Theology. p. 104
\textsuperscript{79} Turner, Rachel S. Neo-Liberal Ideology. History, Concepts and Policies. p. 115
\textsuperscript{80} Ibid. p. 116
\textsuperscript{82} Turner, Rachel S. Neo-Liberal Ideology. History, Concepts and Policies. p. 116
\textsuperscript{83} Harvey, David. A Brief History of Neoliberalism. p. 3
\textsuperscript{84} Ibid.
\textsuperscript{85} Harvey, David. Spaces of Neoliberalization: Towards a Theory of Uneven Geographical Development. p. 21
1.3 Religion: Transcendence and the Secular Context

1.3.1 Liberation Theology and Secularization Theory

The contemporary liberation theology is re-affirming its position as a post-idealist theology that fully acknowledges the theological challenges presented by secularization.\(^{86}\) Liberation theology's critique of neo-liberalism is based on the specific understanding of modernity. Liberation theology's position is that despite the apparent decline of traditional religions in modernity, religiousness as such has not disappeared. This means that religion is still present in modern society but it remains hidden because of the narrow definitions that are used to describe religion. Liberation theologians argue that in modern society religion has transformed into a different form instead of disappearing.\(^{87}\)

Liberation theology's hypothesis is that characteristics that were intrinsic to traditional religions have moved into the sphere of economics in modernity. Underlying the liberation theology's critique of economy is the “suspicion that the capitalist system appears to be enveloped in a ‘religious aura’”, and because of that, it is able to produce its “own symbolic universe, its own spirituality, its own religion”\(^{88}\). This “religious aura” has important consequences to society. Because religions have their own ideas of the world and their own systems of ethics they influence what kind of actions are legitimate by those sharing the religion. Liberation theology claims that these parallels between religion and economics have largely remained unexplored in theology and economics.

According to classical secularization hypothesis there has been a general decline of religion, especially Western Christianity, since the emergence of modernity in the 19th century.\(^ {89}\) Secularization hypothesis states that various factors like


\(^{89}\) Of course one can talk about classical secularization hypothesis only provisionally as there has always been several competing theories of secularization in sociology of religion. For a good overview of different positions see Furseth, Inger Repstad, Pål. *Introduction to the Sociology of Religion: Classical and Contemporary Perspectives*. Ashgate Publishing Group, 2006, p. 82-96. For an overview of classical secularization hypothesis see Warner, Rob. *Secularization and Its Discontents*. p. 7-37
industrialization, growth of urbanization, rise of individualism, separation of church and religion from public matters, and the emergence of rational-scientific thinking have in modern capitalist societies largely displaced religion from public sphere into the private one. Moreover secularization hypothesis claims that religion as such is in general decline. Secularization is seen as a part of a more general process of modernization in capitalist societies. In traditional rural societies religion had a strong influence on public matters. Religion was the foundation that determined the integrity of society. It held communities together through a joint worship of a universal church that also functioned as an interpreter and a producer of knowledge about the immanent world. Thus a single unified worldview drew its unity and legitimacy from the religion. In pre-modern societies religion was a constitutive force of coherence that unified rural communities. But during the rise of modernity the importance of religion began gradually to decline and its mediating institutions were forced to withdraw from power-positions in society.

One of the key aspects of modernity was its evaluation of history in terms of normative teleologies. The vision of history and progress in modernity was still largely based on the Christian concept of universal salvation history. Modernity substituted the Christian idea of a divine plan of history that leads humankind to its self-fulfillment with the ideas of scientific rationality and progress. As Sung points out, the ideas of scientific rationality and progress were the result of the perception of history as constructed by human subjects. With the rise of modernity the human as a historical subject replaced the position of God as a force of historical progress. When human subjects were perceived as a driving force of historical progress, former religious concepts like “paradise” transformed into secular notions of progress and economic well-being. This teleological understanding of history is still present in a worldview Casanova calls “cosmopolitanism”.

91 Warner, Rob. Secularization and Its Discontents. p. 26
93 Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 38
mopolitanism is based on theories of modernization that take for granted the expansion of Western-style economic and cultural models into other parts of the world. The expansion of market economy and Western cultural models are seen as a positive and inevitable outcome of the process of globalization. Cosmopolitanism shares with theories of modernity similar latent assumptions about the position of religion in society. Religion in its collective dimension is reduced to another form of cultural identity.\textsuperscript{95} When religion emerges in public sphere, it is rather seen as a decadent force that antagonizes progressive modernity.\textsuperscript{96}

Casanova arguments against the classical secularization hypothesis.\textsuperscript{97} He claims that secularization hypothesis is based on tautology: classical secularization hypothesis presumes that modernization leads to the disappearance of religion, because the decline of the religion is a precondition of modernity. Theories of modernization have their roots in the European philosophy of Enlightenment. Enlightenment thinkers developed a critique of religion that set religion against the ideas of scientific inquiry and rationality. Enlightenment critique of religion has been latent in the classical secularization hypothesis. Casanova claims that this has led secularization hypothesis to present its theory in a way that not only describes the process of secularization, but also presents a critical genealogical view of religion in general and proposes a normative-teleological theory of religious development in history that sees the decline of religion as an inevitable aspect of historical progress.\textsuperscript{98}

Liberation theology questions the same classification of social-cognitive space into binary oppositions of secular/religious and public/private.\textsuperscript{99} Underlying liberation theology is a suspicion towards the secularization hypothesis that claims that religion is a phenomenon intrinsic to primitive societies. Liberation theology arguments that even though there has been a visible decline of Christianity in the West it has not led to the disappearance of religion as such. Rather the outcome of

\textsuperscript{95} \textit{Ibid.}
\textsuperscript{96} \textit{Ibid.}
\textsuperscript{98} \textit{Casanova, Jose. Cosmopolitanism, the Clash of Civilizations and Multiple Modernities. p.254}
modernity has been the emergence of new religions and new theologies that are based on ideas of scientific-technological progress and expansion of capitalism into all parts of the world. The aim of liberation theology is thus to demystify and critique these theologies of modernity and their appearance in cultural forms in a secular society.

As Sung points out, religion as we know it today is a creation of modern world. In modern world religion is understood as only a part – a sub-system in a social totality that is “secular”. This was not the case in pre-modern times when there were no strict separation between the secular and religious. Rather in pre-modern times all spheres of life were organized around the distinction between the sacred and profane. In this sense in pre-modern societies there was no relationship between religion and economy. Rather the relationship was between the sacred and the production and distribution of material goods that were necessary to sustain life. But with the rise of modernity and capitalism, economy became an autonomous sphere separate from religious values. With capitalism came into existence the idea of a market that is seen as autonomous sphere vis-a-vis society and religion. As Sung points out, this separation is a precondition for the formation of relationship between religion and economy, because religion and economy must be perceived as separate entities for this relationship to exist.

For liberation theology the separation of religion and economics does not mean that the sacred is limited to the religious field. On the contrary, liberation theology proposes that neo-liberal capitalism is based on certain implicit religiousness and concepts of sacred. This religiousness emerges from the belief into self-regulating market system that is perceived as an autonomous entity. As put by Sung:

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102 Sung, Jung Mo. *Theology, Spirituality and the Market*. p. 67
103 Ibid.
104 Ibid. p. 68
“No society survives without the principle of unquestionable differentiation, which sustain and allow for the organization and hierarchy of social human life, in the capitalistic society, this distinction has 'overflowed' the religious field and has moved in a special way to the inside of the market.”

1.3.2 Marx, Liberation Theology, and Critique of Religion

After the fall of the Socialist Bloc Marxist theories fell out of fashion. As Marxist thought was at the core of liberation theology's project the demise of socialism seemed to discredit liberation theology as a whole. But this has not led to the abandonment of Marxist thought in contemporary liberation theology. On the contrary, liberation theology has returned to Marx's thought and reaffirmed its commitment to Marx's method as a social scientific mediation between theology and sociopolitical reality. Where contemporary liberation theology departs from its earlier incarnations is in its emphasis on Marx's critique of religion. In contemporary liberation theology Marx's political thought has moved to the background, while his critique of religion and mythical reason has become a central part of liberation theology's critique of neo-liberal capitalism.

Contemporary liberation theology's critique of secularization hypothesis is closely related to its understanding of religion as an inseparable anthropological dimension of human beings. Drawing from the work of Frei Betto, Duchrow and Hinkelammert argue that after the demise of socialist alternative liberation theology faced again the question of how to define human nature. The socialist conception of man omitted the aesthetic and spiritual dimension of human beings and saw man only as reason and will. But as Duchrow and Hinkelammert point out, humans have a need to transcend, and this need was satisfied by surrogates in capitalism.

105 Ibid.
108 Ibid.
To transcend means venturing beyond what is given here and now. It makes possible for humans to plan for the future. These imaginary worlds can take any number of forms: they can be utopias of perfect state and economy, business plans, five-year plans or concepts like heaven and hell. Imagination in human beings functions as an utopian reason. In the words of Ernst Bloch imagination's “contents are first represented in imaginative ideas /.../ as opposed to those remembered ones which merely reproduce past perceptions /.../ and are merely composed of existing material”. The ideas of imagination “extend, in an anticipating way, existing material into the future possibilities of being different and better”.

The understanding of religion as an anthropological dimension presumes a broader definition of religion than traditionally associated with the term. As Sung points out, humans have a tendency to believe into their own desires and imagination. For humans the reality is always beyond the possibility of total knowledge and control. But humans have an innate desire to improve their reality. This desire for improvement comes from the human capacity to imagine worlds and situations that are beyond their immediately perceived spatial and temporal surroundings. They dream of worlds – utopias – that do not exist in current historical reality, but they serve as a horizon towards which human action is directed. As pointed out by ter Borg, transcendence is a precondition for religion. What connects transcendence to religion is the human tendency to believe into their own creations of imagination. Transcendence is a broader concept than religion and it could include phenomena that are not necessarily considered religious. And yet, religion is also more than transcendence in a sense that religion is based on faith in something. People need to believe into the their creations of imagination that are projected to beyond the immediate reality for it to become religion.

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111 Ibid.
Religion defined as an anthropological dimension has a wide scope. This definition is still substantial, but at the same time also abstract, and as such, does not describe any specific religion. Religion as an anthropological dimension is not limited to the belief in God but political doctrines and worldviews, or utopian concepts like perfect democracy or perfect market system can also be religious. Religion defined as an anthropological dimension refers to “powers, meanings, or realities that transcend what is ordinarily thought of as human”.115

According to Sung, belief into transcendental concepts remains outside the empirical analysis but theology can contribute to social sciences by analyzing these beliefs theoretically.116 Beliefs into transcendental concepts that ground modern secular society can be used to legitimatize certain forms of power, and theology can contribute to locating these beliefs and uncover how they influence secular societies. As Duchrow and Hinkelammert argue, contemporary liberation theology is a part of critical paradigm that studies “mythical reason” in secular society.117 Because Marx's thought is a foundation on which this critical paradigm rests Marx's method has not lost its importance to liberation theology.118

Marx's importance to contemporary liberation theology comes from his hindsight that theological thinking – or “mythical reason” - exists in the institutions of secular society. When Marx wrote that “the criticism of religion is the prerequisite of all criticism” he meant precisely that theological thinking and concepts are also intrinsic to secular world.119 Liberation theology uses Marx's critique of religion as a method for criticizing neo-liberal capitalism as economic system that is deified.120 By showing that neo-liberalism and its concept of market is based on cer-

116 Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 5
118 Ibid.
tain utopian beliefs liberation theology de-sacralizes the “sacred religious aura” of neo-liberalism.\textsuperscript{121}

There are two approaches in Marx's conceptualization of religion. The first approach starts with the content of religion itself. It describes religion as a mirror-image of material and social relations in society. The starting point of this approach is in the religious ideas of a society. Marx analyzes these ideas and then deduces the real material and social relationships that these ideas mirror. The second approach is Marx's theory of fetishism. This approach starts with social relations and then proceeds to show how these relations take “celestialised forms”.\textsuperscript{122}

The pre-Capital Marx described religion as the product of man's consciousness. This means that for proper understanding of social reality it is necessary to analyze what is hidden from the immediate perception in social reality. Subjecting religion to social scientific critique opens up the reality religion mirrors. According to Marx, by studying the religious ideas – utopian thinking – in a society to comprehend real social relationships and deeper structures of society. Marx claims that religion is the deformed image of real social relationships existing in society: “Man is the world of man, the state, society. State and this society produce religion, which is an inverted attitude to the world, because they are an inverted world. Religion is the general theory of this world”.\textsuperscript{123}

In his critique of Bruno Bauer in “On the Jewish Question” Marx discusses the relationship between the human emancipation, the state, and religion. The central problem in “On Jewish Question” is the double – religious and political - oppression of Jews in the German Christian state. In Marx’s opinion, Bauer understands that the precondition of emancipation of Jews is the overcoming of religion as Jews are first and foremost oppressed on the level of religion. If the conflict between Christianity and Judaism are resolved, by abolishing the religion from the

\textsuperscript{121}Sung, Jung Mo. Desire, Market and Religion. p. 22
\textsuperscript{123}Marx, Karl. Towards a Critique of Hegel's Philosophy of Right: Introduction (71-82). Selected Writings. p. 71
public sphere, it would also bring about the emancipation of Jews in a political sense. But Marx criticizes Bauer for equating political abolition of religion as the abolition of religion as such.¹²⁴

For Marx the state itself has a religious character as long the state manifests itself as a realm of unrealized human freedom. Abolishing religion would be only the first step, but the criteria against which one has to judge is what Marx calls the “general human emancipation”.¹²⁵ State in its political form would still retain a religious character as it is a utopian concept. In the words of Marx:

“The political emancipation from religion is not a religious emancipation that has been carried through to completion and is free from contradiction, because political emancipation is not a form of human emancipation which has been carried through to completion and is free from contradiction.”¹²⁶

Political state for Marx is a form of transcendence. Marx specifically discusses the idea of political state as religious:

“Man, even if he proclaims himself an atheist through the medium of the state – that is, if he proclaims the state to be atheist – still remains in the grip of religion, precisely because he acknowledges himself only by a roundabout route, only through an intermediary. Religion is precisely the recognition of man in a roundabout way, through an intermediary. The state is the intermediary between man and man’s freedom. Just as Christ is the intermediary to whom man transfers the burden of all his divinity, all his religious constraint, so the state is the intermediary to whom man transfers all his non-divinity and all his human unconstraint.”¹²⁷

¹²⁵ Ibid.
¹²⁶ Ibid.
Marx argues that the idea of an ideal political state is a religious idea. It is a product of utopian imagination. Idea of an ideal political state is a projection of unrealized human aspiration of emancipation. This implies that even when traditional religion would be abolished, other forms of religious ideas that express these aspirations take their place, as long as these aspirations themselves are unfulfilled. These religious ideas may also appear in secular form, but they retain their religious “aura” in this sense that they project immanent concepts into metaphysical ideas. The concept of political state is religious because it expresses a utopian idea of human freedom projected on the idea of perfect state. As people have not achieved their true freedom they hope for its realization through the political state – namely democracy. Yet the political state is still something that is external to human beings as it is not a realization of true freedom but rather a mediation that takes the place of true freedom.

In his analysis of commodity fetishism Marx starts from a different perspective. He begins with analyzing the social reality itself and inquires how religious ideas emerge out of this social reality. He sees that religion can appear as a more general tendency toward the mystification of secular phenomena. Religion then emerges as a deformed and obscured reality. Marx says:”It is, in reality, much easier to discover by analysis the earthly core of the misty creations of religion, than, conversely, it is to develop from the actual relations of life the corresponding celestialised forms of those relations”.128

In in the free-market capitalism commodities are produced by many different and independent social actors in relatively or completely uncoordinated manner. The productive decisions and actions of the producers are guided by the changing value of commodities in the market. There exists no special relationship between producers of different commodities except relationships determined by exchange of commodities. The social co-existence of social actors is expressed through the commercial activities in the market. In Marx’s words:

“Labor of the individual asserts itself as a part of the labor of society, only by means of the relations which the act of exchange establishes directly between the products, and indirectly, through them, between the producers.”

The fetish appears because things seem to have a life of their own. Commodities, money and market possess subjectivity that appears to be outside of human control and seems to have a power over humans. Human relations are then mediated by the commodities that are exchanged in the market. The commodity fetishism emerges when products are produced not for their use-value but exchange value in mind. Fetishism attaches itself to the products of labor when they are produced as commodities.

When commodities are exchanged in the market they form new relationships that are beyond the control of the producers. The mechanisms of market operate independently from every individual producer, and as such, lead to outcomes that are beyond the control of any concrete individual. The market determines how and what is produced. It can introduce new commodities and new relationships between commodities in a way that is beyond the control of any concrete actor that takes part of exchange in the market. The religious character of commodity fetishism is a result of perceived awareness of the relationships between commodities and social relations. Commodities appear to possess a life of their own as they enter into relations with each other and with humans.

As pointed out by Hinkelammert, Marx links religion to the real world through the “subjectivity of objects”. Hinkelammert theorizes that this constitutes a kind of polytheistic world, where individual commodities become embodiments of gods. This becomes monotheism when people realize that behind the polytheism of commodities lies a unifying principle of capital, that is, a concrete


130 Ibid.

131 Ibid.

132 Hinkelammert, Franz J. The Ideological Weapons of Death: A Theological Critique of Capitalism. p. 4
system of social division of labor. Yet commodities and capital appear as supra-human and beyond the control of humans. When the relationships of individuals are interpreted in the light of supra-human commodity relationships and movement of capital “there is a projection toward the beyond... and the market itself becomes sacrosanct”.

But the subjectivity of the objects is only an appearance that hides real power relations in a society. As Hinkelammert puts it:

“Religiousness that Marx uncovers... is that of the sacralization of power of some persons over others, and the commodity relations among persons, in whose name some assume power over others. It is the religion that canonizes the right of some to decide over the life or death of others, and projects that kind of power onto the image of God”.

Duchrow and Hinkelammert position contemporary liberation theology into the same critical tradition with Marx. They give two core statements that characterize the critical paradigm in which liberation theology is located. The first one states that the aim of this critical paradigm is to judge all “heavenly and earthly gods that do not acknowledge that the human being is the supreme being of humankind”. The second states that the aim of this critical paradigm is to judge “all heavenly and earthly gods in whose name the human is degraded, enslaved, neglected”. As they point out, this position is based on Marx's humanist critique of the state and market that both appear as highest beings to humans. Because Marx's humanism comes from his understanding of human being as the highest being, his critique is directed towards the secular institutions that deny the human as the highest being of humanity.

133 Ibid. p. 10
134 Ibid. p. 11
135 Ibid. p. 4
137 Ibid.
138 Ibid.
139 Ibid. p. 166
As Duchrow and Hinkelammert point out, contemporary liberation theology asks the question: “Who or what functions as a god in a society”.\(^{140}\) Therefore, liberation theology situates itself into the same tradition that Marx by engaging in (self-)critique of religion that is understood as a fundamental anthropological dimension. The question for liberation theology is how implicit religion is embedded in secular society - and specifically in neo-liberal capitalism – and how does it affect the social relations of society. This question is asked from the same humanist position that considers human being to be a highest being for humanity. And from this position the critique is directed toward the social institutions that are deified, thus taking a position of God that denies the humanity of human beings.

**1.4 Conclusion**

Neo-liberalism is a complex and multifaceted phenomenon that is not easy to conceptualize. It is an historical period in the development of capitalism. Neo-liberalism as an historical period is characterized by the rise of the markets. During the neo-liberal period markets have become the primary mechanism for organizing social relations. The rise of the markets has been accompanied by the decline of the state as a main site of power. Another distinguishing feature of neo-liberal period has been a persisting social inequality and poverty. Neo-liberalism is also an ideology. Neo-liberal ideology is often presented as an economic science even though it is more like a worldview with its own distinctive ethics, beliefs and values. The most distinguishable aspect of neo-liberal ideology is the belief into the market mechanism. In neo-liberal ideology markets are seen as a foundation of Western progress and a way to realize common good for all societies.

Contemporary liberation theology has reaffirmed its position as a post-idealist theology that fully acknowledges the challenges presented by the secularization process. In response to secularization liberation theology has developed a critique of modernity and its institutions. Liberation theologians argue that despite the apparent decline of the traditional religion in modernity religion as such has not disappeared. Liberation theologians claim that in capitalist societies functions that

\(^{140}\) *Ibid.* p. 245
formerly belonged to the sphere of traditional religion have moved into the economy, and more specifically into the institution of market. Liberation theologians argue that the capitalist market economy combined with the myth of technological-scientific progress has replaced the vision of God as the driving force behind human history moving towards its salvation.

The key question for contemporary liberation theology is who or what functions as a god in a secular society. Liberation theology has responded to the challenge of secularization by broadening its definition of religion. For liberation theology religion is an anthropological dimension of human beings. Therefore, religion does not presuppose the existence of belief into God in a traditional sense. Human beings have a natural need to transcend and, as liberation theologians argue, this need has been satisfied by neo-liberal capitalism. The broad definition of religion has also led liberation theology to renew its interest in Marx's analysis of religion and capitalism. Marx's method has still retained its importance for liberation theology because it provides a theoretical framework in which the appearance of religion in secular society can be understood.
2. Critique of Neo-liberalism in Liberation Theology

2.1 Introduction
In the previous chapter I discussed some of the characteristic aspects of neo-liberalism. I then proceeded to discuss the relationship between secularization theory and liberation theology. I argued that contemporary liberation theology is skeptical about the secularization hypothesis. What is called secularization of Western society does not mean for liberation theology the disappearance of gods or religion in society. Religion in modern society is embedded in secular ideas and institutions. This raises the question how can implicit religion in secular society analyzed more specifically.

I will now discuss some of the overlapping core themes related to liberation theology's critique of neo-liberal capitalism. First I will discuss the relationship of economics and liberation theology. Then I will present an overview of two closely related approaches to the critique of market in liberation theology.

2.2 Economics and Liberation Theology
One of the distinct features of liberation theology has been its strong critique of economic conditions. Liberation theology was born in Latin America and was a part of broader social movement that criticized the dominant capitalist economic system. As Hinkelammert points out, the central theme in liberation theology at that time was the search for alternative economic organization to the dominant capitalist system.141 The search for an alternative led liberation theologians to adapt Marxist social analysis for mediating between their theological project and economic conditions. The common belief among liberation theologians at that

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time was that the alternative form of economic organization should be socialism, or if formulated more abstractly, at least a movement toward “social ownership of the means of production”.\textsuperscript{142}

But after the demise of socialist alternative in the 1990s liberation theology has had to re-evaluate its position towards the economy. In my opinion, liberation theology has developed two distinct (but related) approaches. The first approach draws from the history of economics and critical law studies and develops a concrete critique of capitalist institutions. This approach is taken, for example, by Duchrow and Hinkelammert who focus on the history and development of capitalist private property, its “naturalization”, and how it contributes to social exclusion.\textsuperscript{143} Another example is the work of Petrella, whose focus is on the international institutions like IMF, World Bank and international copyright law.\textsuperscript{144} The second approach develops a more abstract critique and analyzes implicit religion inherent in neo-liberal economics and its role in legitimatizing the neo-liberal hegemony. This view is taken by Sung and Rieger.\textsuperscript{145} I will now discuss some of the problems related mostly to the second approach.

Neo-liberal theorists claim that their theories about the nature of society are grounded in economic science. As Comblin points out, during the 1990s neo-liberal ideology was regarded in Latin America as the only “scientific” theory of economics.\textsuperscript{146} Moreover, neo-liberal theorists have argued that free-market economy is excluded from the sphere of morality.\textsuperscript{147} These claims have led liberation theologians to elaborate on the relationships between theology, economics and ethics. Liberation theologians argue that neo-liberal economic theory is in many ways similar to theology with its own ethics, visions of paradise, salvation and original sin.

\begin{footnotesize}
\begin{enumerate}
\item[143] Duchrow, Ulrich. Hinkelammert, Franz J. \textit{Property for People, Not for Profit}. ZED Books, 2004
\item[144] Petrella, Ivan. \textit{Beyond Liberation Theology: A Polemic}. SCM Press, 2008
\item[146] Comblin, José. \textit{Called for Freedom. The Changing Context of Liberation Theology}. p. 110
\item[147] Plant, Raymond. \textit{Politics, Theology and History}. p. 200
\end{enumerate}
\end{footnotesize}
Economic theories are not objective scientific descriptions and explanations how economy works or should work, but ideological constructions. Economics as any other scientific discipline has its own theoretical assumptions and presuppositions. The similarity between theology and economic theory is that they both deal with a fundamental questions of human existence.

Economics operates on several levels. The most visible level of economics is concerned with the functioning of economy and it is often confused with the economic science as such. But economics science like all science is grounded in certain philosophical presuppositions and metaphysics. All economists have a framework of thought that defines their basic worldview. This implies that economic theory is not a value-free science about how to organize economy in most efficient way, but it also includes certain philosophical, ethical and theological presuppositions. According to Stackhouse:

“An enormous amount of economic theory ends up being focused on nationalistic policies, a tendency that makes certain culturally particular patterns of economic life appear to be more universal natural laws than they actually are, and that simultaneously blinds us to certain global and/or local patterns of belief and morality that have economic consequences. It also means [that] /.../ relationships between facts and values, between descriptive and normative modes of discourse /.../ are not examined by those who advance them.”

As Stackhouse points out, beliefs and moral attitudes that are underlying the economic theory remain often unexplored. For example, economic theory presupposes a certain view of human abilities, morality and spirituality that are needed to improve the state of a particular society. As I have discussed in chapter 1.2.1 neoliberal theorists have a specific vision of human nature that values individual responsibility and profit maximization. Economic theory also proposes a certain set

149 Nelson, Robert H. Economics as Religion. From Samuelson to Chicago and Beyond. p. 23
150 Sung, Jung Mo. Desire, Market and Religion. p. 10
of institutionalized procedures to mediate between social actors and the set goal for society. In the case of neo-liberalism this is attributed to the institution of market where self-interested individuals can pursue their own ends. Economic theory also functions as a “utopian reason” as it transcends immediate material and social conditions of scarcity and envisions a specific future world where this condition of scarcity has been overcome. Sometimes these beliefs and values are expressed by neo-liberal theorists in explicit religious vocabulary. For example, Fukuyama uses the phrase “the good news has come” to refer to the triumph of capitalism. Another example is provided by Nordhaus and Samuelson who call Adam Smith the “apostle of economic growth”, and claim that market “performs miracles”.

But, as Rieger points out, implicit theology in the economic theory is not always self-evident because the language used by economists does not make explicit references to God or religion, but alludes to general moral premises or values that are considered to be universal. Because these moral concepts or values are often perceived as universal they are not examined critically and they go by unnoticed. The aim of contemporary liberation theology is to inquire how the implicit theology is present in neo-liberal economics. Because the hidden presuppositions in an economic theory often justify the dominant economic system by making references to transcendent or quasi-divine concepts.

If neo-liberal capitalism has implicit theology there should be at least some similarities between neo-liberal capitalism and traditional religions that make it possible to talk about implicit religion in economy. These features might not be immediately obvious due to their secular form, or they may not be expressed in explicitly religious language but they should at least have some recognizable characteristics that makes them religious. For example, Nelson – who has been one of the few economists to treat economics as religion - argues that economists can be seen as priests of a secular religion because economic theorizing is similar to de-

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156 Ibid.
livering religious messages. Economic theory is ultimately concerned with similar topics as theology. The formal theorizing of an economic theory is concerned with how to achieve salvation in immanent world by overcoming the condition of material scarcity. Economists propose economic growth as a solution for overcoming this problem, and thus bringing “new heaven on earth”. Therefore, economics deals with the problem of how to achieve maximum well-being of a maximum number of human beings in a world of scarce resources.

As the accumulation of material wealth has become more important from the perspective of human well-being, the position of economic science has grown in importance for modern societies because economist seem to possess technical knowledge about how to best reach the goal of overcoming the condition of material scarcity. But as Nelson points out, the hope of achieving material well-being is often tied to the spiritual condition of human beings – the material wealth is perceived as a precondition for spiritual well-being. According to this view there is a reason to believe that if the problem of material scarcity has been solved it will also mean the arrival of new human condition morally as well.

For Nelson the role of religion is important because it legitimatizes the market mechanism in modern society and provides a moral foundation for more efficient functioning of economy. As the traditional religious blessing for the market mechanism would not be persuasive in modern secular context there is a need for a secular religion of economics that would provide a normative basis for the market mechanism. The challenge for market capitalism is that human beings have a tendency to avoid taking risks, and they are resistant to change. Therefore, for example, due to what is called the “endowment effect” in economic science human beings tend to value things they already have over things they might acquire in the future. From the perspective of market economy, this is counterproductive because market economy depends on constant change, the movement and accumula-

157 Nelson, Robert H. Economics as Religion. From Samuelson to Chicago and Beyond. p. XX
158 Ibid.
159 Ibid. p. 38; Comblin, José. Called for Freedom. The Changing Context of Liberation Theology. p. 144
160 Nelson, Robert H. Economics as Religion. From Samuelson to Chicago and Beyond. p. 12
161 Ibid. p. 10
162 Ibid. p. 70
tion of capital. Religion of the market needs to “dictate strong approval of ordinary efforts to maximize business profits in the market”\textsuperscript{163}. Nelson argues that religion has an important function in legitimizing the market mechanism because one of the characteristic features of religion is to change the way people think about the world.\textsuperscript{164}

Liberation theology proceeds from the same premise that there is an implicit theology in economics and that economic theorists serve as a form of priesthood that justifies economics. For example Duchrow and Hinkelammert argue that neo-liberalism needs to be demystified as an economic science by showing that it is based on a mythical assumption about reality.\textsuperscript{165} As Duchrow and Hinkelammert show there is a sufficient amount of empirical evidence to suggest that claims made by neo-liberal economist often contradict reality. This implies that neo-liberal economics is not a scientific theory that explains reality. Rather, they claim, that neo-liberalism has gained its hegemonic position mainly through an ideological offensive carried out by various missionary institutions like the Mont Pèlerin Society.\textsuperscript{166} Rieger also points out that with the support of priestly class of neo-liberal economist the belief into market capitalism has become so dominant that any discussion of alternatives has been made impossible.\textsuperscript{167} This implies that free-market capitalism has become very much like religion. Rieger claims that people see the market institution as a divine being who can not be controlled. If the market can not be controlled the only possible way is to conform without any possibility of critique.\textsuperscript{168} Sung also argues that neo-liberalism can be seen as a religion and that its economic theory has its own theology of salvation, original sin, and justifications of suffering and sacrifice.\textsuperscript{169}

\textsuperscript{163} Ibid. p. 6
\textsuperscript{164} Ibid. p. 70
\textsuperscript{165} Duchrow, Ulrich. Hinkelammert, Franz J. Transcending Greedy Money: Interreligious Solidarity for Just Relations. p. 206
\textsuperscript{166} Ibid. p. 207
\textsuperscript{167} Rieger, Joerg. No Rising Tide: Theology, Economics and the Future. p. 12
\textsuperscript{168} Ibid.
Like neo-liberal theorists, Nelson takes it for granted that the capitalist market system is the best possible form of economic organization.\textsuperscript{170} He sees market as an institution that is separate from other spheres of society. But in neo-liberal capitalism the market logic expands and intrudes into ever more spheres of society. As the market logic is introduced to spheres outside the economy, the values that market economy depends on – the profit motive, the competition and selfishness – are introduced too. Therefore, the market institution that subjects social agents to market logic shapes their actions and values also outside the economic sphere.

In addition to criticizing implicit theology in economics that legitimatizes the profit motive liberation theologians also criticize the market institution itself. For example, as Duchrow and Hinkelammert argue, market institution itself generates values needed for proper functioning of market logic.\textsuperscript{171} Therefore liberation theology does not only focus on the implicit theology in economic theory but the critique of market institution itself. As Duchrow and Hinkelammert point out, Adam Smith's concept of “invisible hand of the market” implies precisely that the market logic itself shapes the actions of the social agents.\textsuperscript{172} The market system encourages social agents to pursue self-interest in the name of profit maximization. But the self-interest in a market system can only be realized according to rules of the market that are external to social agents. These rules are based on private property and contracts enforced by the law. Therefore, where market system dominates it brings out the egoistic tendencies in human beings as by “invisible hand”.\textsuperscript{173} Duchrow and Hinkelammert claim that in neo-liberal capitalism values like egoism and greed are the foundation of the system itself.\textsuperscript{174} Because selfishness and greed are considered in neo-liberal economics to be the driving force of economic progress in market system, liberation theology analyzes the market institution itself as “an ethically relevant space”\textsuperscript{175}.

\textsuperscript{170} Nelson, Robert H. Economics as Religion. From Samuelson to Chicago and Beyond. p. 7
\textsuperscript{171} Duchrow, Ulrich. Hinkelammert, Franz J. Transcending Greedy Money: Interreligious Solidarity for Just Relations. p. 35
\textsuperscript{172} Duchrow, Ulrich. Hinkelammert, Franz J. Property for People, Not for Profit. p. 40
\textsuperscript{173} Ibid.
\textsuperscript{174} Duchrow, Ulrich. Hinkelammert, Franz J. Transcending Greedy Money: Interreligious Solidarity for Just Relations. p. 35
\textsuperscript{175} Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 107
Liberation theology's position is diametrically opposite to that of Nelson. For Nelson the implicit theology in economics has mostly a positive role. Implicit theology in economics provides legitimization to market mechanism and a moral foundation that guarantees the effective functioning of economy. In contrast liberation theology focuses on the negative aspects of neo-liberal economics and its outcomes. Liberation theologians draw from the Latin American experience of widespread poverty and social marginalization and argue that market logic of neoliberalism generates misery and suffering for the majority of people in modern world.176

To return to the beginning of this subtopic, after the demise of the socialist alternative liberation theology has re-evaluated its theoretical position toward the economy. Liberation theology's focus has turned to system of neo-liberal capitalism itself and its underlying theological assumptions. This has led liberation theology to critique of theological presuppositions underlying economy and economic theory. Economic theory is in many regards similar to theology. What makes economic theory similar to theology is that it has its own concepts of transcendence and its own ethics. The implicit theology in economics often justifies a certain form of economic organization or certain economic behavior. This means that economic theorists can be viewed as a kind of priesthood that exercises their power over secular society. Therefore, contemporary liberation theology questions the latent theological assumptions in economic theory but also the underlying economic institutions. Because liberation theology identifies itself with the critical humanist tradition economic question have a special importance to liberation theology. As Peterella argues, the most important problems for liberation theology do not lie in the sphere of theology but in secular world where questions of bodily life and death are determined.177

What makes liberation theology's relationship to economics distinct is that liberation theology draws from Latin American experience of poverty and social

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177 Petrella, Ivan. Beyond Liberation Theology: A Polemic. p. 135
marginalization. In Latin America neo-liberal reforms have not generated the expected results. The widespread poverty and social marginalization was the context in which liberation theology was born. By the end of the 1990s the neo-liberal reforms had not improved the social conditions. But at the same time there was a lack of alternative vision to neo-liberalism. This has led liberation theology to question how the implicit religion and implicit theology help to legitimatize the dominant economic system in a secular world. I will now look at two related approaches to critique of market that liberation theology has developed to criticize neo-liberal capitalism.

2.3 Critique of Market in Liberation Theology

2.3.1 Critique of Market as Transcendence

Because market as a central institution of neo-liberalism has taken a primacy over all other institutions of modern society, one of the main responses of liberation theology to a changed economic and political context has been to further develop its critique of the market in neo-liberal capitalism. Liberation theologians argue that market in modern society is where all individuals buy and sell different products ranging from basic commodities to eschatological and political salvation.\(^{178}\) This means that market has an all-encompassing role as a regulator of all social relations between individuals and institutions. In neo-liberal capitalist society all spheres of life are encompassed by market logic. Duchrow and Hinkelammert call the expansion of market logic to all areas of life in neo-liberal capitalism the “total market”.\(^{179}\)

According to Duchrow and Hinkelammert in modern neo-liberal societies the accumulation of capital has become the main guiding principle of all economic activity.\(^{180}\) This has led to total commodification of all aspects of life. Land ownerships and property are not the sole forms commodities, but there is a tendency in neo-liberal capitalism to transform everything – including non-material things (for example in the form of intellectual property) - into exchangeable commodities. All

\(^{179}\) Duchrow, Ulrich. Hinkelammert, Franz J. *Property for People, Not for Profit*. p. 77
\(^{180}\) Ibid.
natural resources have a value attached and subordinated to the aim of increasing capital accumulation. This could take many different forms from patenting genes and seeds to trading in carbon emissions or clean water. Under the total market human capacity to work likewise is commodified and serves capital accumulation.\footnote{Ibid. p. 148}

In the process of capital accumulation neo-liberal market has a dual function: it facilitates the exchanges of goods and movement of capital, and also maintains the order in society in accordance with the aim of capital accumulation.\footnote{Duchrow, Ulrich. \textit{Hinkelammert, Franz J. Property for People, Not for Profit}. p. 77} Therefore, for liberation theology market is not only a system of commodity exchange, but has also become the main site of power in modern society. If land and human labor are subjugated to the aim of controlling capital flows and accumulation then this means that capital has also indirect power over people. For liberation theology neo-liberal hegemony has consolidated market as a center and foundation of modern society and it has replaced politics as a main site of power.\footnote{Sung, Jung Mo. \textit{Desire, Market and Religion}. p. 1} As Rieger points out, market in neo-liberal thinking takes a transcendent quality and does not only direct economic activity but also political.\footnote{Rieger, Joerg. \textit{No Rising Tide: Theology, Economics and the Future}. p. 12}

Liberation theologians argue that the order of neo-liberal capitalism rests on implicit religiousness that is embedded in the market system. For example, Rieger claims that religion is often defined in too narrow terms, and this makes it easy to miss how religion influences power relations in society.\footnote{Ibid. p. 48} Because of the narrow definition religion is usually consigned to a separate sphere of society and it is perceived as distinct from economy. Rieger points out that in times of economic crises the role of religion becomes more apparent. Implicit religion in economy maintains a certain idealism and beliefs into dominant economic system. These idealistic beliefs persist even if the empirical reality tends to invalidate them. For example those who argue that unregulated markets will ultimately lead to com-
mon good need a strong commitment to their vision especially as the history tends to undermine this idealism.  

The persistence of idealistic beliefs is most evident in phenomena that can be called market fundamentalism in neo-liberal thinking. Miguez, Rieger & Sung argue that market fundamentalism has been characteristic to the thinking of neo-liberal economists. Neo-liberal theorists claim that market system is superior to all other forms of economic organization because it unifies efficiency and liberty and enables free trade, which maximizes welfare of all who participate in market system. For example, the Chicago school economist like Milton Friedman have argued for limiting state intervention into economic sphere, privatization of socially held assets and liberalizing market regulation despite that the economic history has undermined this logic. As Rieger points out, neo-liberal arguments are based on a firm belief in the benevolence of the market mechanism.

The belief into the benevolence of the market mechanism is also linked to the problem of justice in neo-liberal ideology. Sung argues that with the demise of socialist alternative neo-liberalism became perceived as inevitable and this was linked to the idea of justice. Since the neo-liberal market economy was left without competing alternative neo-liberal theorists have perceived the dominant system as just. When the market mechanism generates negative outcomes like social marginalization and poverty, then this is perceived as a just outcome because neo-liberal theorists see the success or failure of social agents in terms of personal abilities. Those who are poor, for example, are considered to be poor because of their own fault. In addition to material depravity the poor are judged morally. This means that in neo-liberal ideology poverty is considered to be a lack of moral virtue, bad health is considered to be a personal failure to take care of the body and

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186 Ibid. p. 49
187 Miguez, Nestor; Rieger, Joerg; Sung, Jung Mo. Beyond the Spirit of Empire: Theology and Politics in a New Key. SCM Press, 2009. p. 45
188 Ibid.
190 Miguez, Nestor; Rieger, Joerg; Sung, Jung Mo. Beyond the Spirit of Empire: Theology and Politics in a New Key. p. 45; Rieger, Joerg. No Rising Tide: Theology, Economics and the Future. p. 12
191 Rieger, Joerg. No Rising Tide: Theology, Economics and the Future. p. 15
192 Sung, Jung Mo. Desire, Market and Religion. p. 69
unemployment as a lack of will. As Sung points out, for neo-liberal theorists the failure of market mechanism is tied to a “secularized version of the theology of retribution”. This means that the negative outcomes of the market appear as “incarnations' of judge from a transcendental justice”. He argues that not only is the social marginalization produced by market logic considered to be just, but it is also considered to be beneficial. Because neo-liberal theorists see competition as a main driving force behind economic development they perceive social marginalization as a positive force that encourages competition between social agents and leads toward society that is based on competition. As Sung points out, in neo-liberal thinking social problems are seen as temporary ills that prove that economy is moving in the right direction of deregulation.

The belief into the market in neo-liberal thinking is based on utopian hope. Neo-liberal thinkers believe that market will take care of the social problems when it is properly implemented. For example, Rieger argues that during the period of neo-liberal capitalism there has been a constant belief into the market's power to generate wealth in the future. He points out that this has led to increased culture of borrowing and consumerism. Neo-liberal capitalism has predisposed the general public towards excessive lending and living beyond one's means. This has been possible because neo-liberal capitalism is based on the utopian promises about better future. Those who are doing not so well economically are being encouraged to live like those who are better off. Most of the mainstream economic theorists and politicians have been encouraging excessive borrowing of those who were doing less well to achieve higher living standards. But as Rieger points out, these recommendations have been based on implicit utopian hope that the future will generate real wealth that would compensate borrowing in present day.

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193 Petrella, Ivan. Beyond Liberation Theology: A Polemic. p. 68
194 Sung, Jung Mo. Desire, Market and Religion. p. 69
195 Ibid.
196 Ibid.
197 Ibid.
199 Ibid.
For liberation theology the question then is what lies behind this hope into the market. This has led liberation theologians to criticize neo-liberal concept of market more broadly. According to Hinkelammert in neo-liberal ideology the myth of technological-scientific progress is connected to the development of Western capitalism in a way that the myth of technological-scientific progress becomes a transcendental concept. Neo-liberal theorists believe that if the progress of technology and science is combined with market capitalism it automatically generates economic well-being. This understanding of the technological-scientific progress is a projection toward the future that lacks empirical grounding. Because of the lack of certainty the utopian idea of technological-scientific progress is linked with faith.

Criticizing the work of Fukuyama, Sung also argues that neo-liberal thinkers see Western-style economic model combined with technological-scientific progress as a realization of utopia in human reality. In neo-liberal thought economic and technological development are seen as a way of overcoming human suffering and death. This means that the myth of technological-scientific progress combined with the development of capitalist market economy that emerged in Enlightenment has replaced the eschatological belief into the coming of Kingdom of God.

Fukuyama presents Western-style economic and cultural models as the apex of human achievement that makes possible the realization of human utopian longings. He predicts that the technical-scientific rationality of modernity will eventually lead to the total triumph of capitalism and unified world consumer culture. According to Fukuyama, this makes possible the unlimited accumulation of wealth and material goods. Fukuyama claims that: “Technology makes possible the limitless accumulation of wealth, and thus the satisfaction of ever-expanding set of human desires.” For Fukuyama this means that utopian infinity becomes a

201 Ibid. p. 102
202 Sung, Jung Mo. Desire, Market and Religion. p. 14
203 Ibid. p. 36
204 Fukuyama, Francis. The End of History and the Last Man. p. 108
205 Ibid. p. xiv
real prospect achievable in immanent reality through scientific and technological progress. He also argues that this desire for limitless accumulation of wealth is a universal constant for all human societies.²⁰⁶

For liberation theology technological-scientific progress is a source of mythic-al-religious hope in neo-liberal theory.²⁰⁷ As already discussed in chapter 1.3.1 liberation theologians argue that modernity did not lead to secularization but replaced the traditional religion with belief into the market mechanism and technological-scientific progress with its eschatological promise of realizing utopia in an immanent world. For example, Fukuyama’s understanding of progress depicts the historical development of Western capitalist economic system as a natural universal evolution of history that eventually will expand to all parts of the world. His theory of Western-style development as a universal course of history naturalizes neo-liberal understanding of market economy as universal organizing principle of society. According to this view combination of technological-scientific progress and capitalist market economy will make possible the satisfaction of human desire for limitless accumulation of wealth.

Sung argues that this is neo-liberalism's myth of paradise.²⁰⁸ He criticizes this position by pointing out that Fukuyama's thought progresses from “finite” to “infinite” without rational explanation.²⁰⁹ Sung argues that Fukuyama does not explain how can finite human beings that act in a finite natural environment achieve unlimited accumulation of wealth and satisfaction of all desires. Therefore, as Sung points out, because the movement from finite to infinite is not actually ex-

²⁰⁶ Ibid. p. 80-81
²⁰⁸ Sung, Jung Mo. Desire, Market and Religion. p. 36; Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 66
plained it indicates that neo-liberal thinkers engage in religious-mythological thinking.  

Liberation theologians argue that neo-liberal theorists base their arguments on the utopian hope that ultimately technological-scientific progress leads to realization of paradise in immanent reality. Neo-liberal theorists see capitalist market economy as a precondition for technological-scientific progress. Not only do they believe that the capitalist free-market system combined with technological-scientific progress leads to eradication of material poverty but also that it will ultimately lead to overcoming of sickness and death itself. For neoliberal theorists it is the tree-market capitalism with its competition of all against all that makes possible the development of technological-scientific apparatus that is necessary for bringing about the promised paradise in immanent life. As Sung points out, neo-liberal theorists see neo-liberal capitalism as an “implementer of the promises that Christianity made for life after death”.

Liberation theologians argue that neo-liberal thinkers often operate with the concept of “perfect market”. Neo-liberal theorists claim that to completely realize the potential for unlimited accumulation of wealth there must be a “total” or “perfect market”. For liberation theologians this is another example that market is a transcendental concept in neo-liberal thinking. “Perfect market” is in neo-liberal imagination a market system that is completely left to its own devices. Perfect market for neo-liberal thinkers is free from any external regulation and government intervention. As Miguez, Rieger & Sung point out. For neo-liberal thinkers a perfect market system would be a market system where commercial law and protection of private property rights would be “enforced in an absolute way”.

The “perfect market” is not something that exists in reality. Even in the case of most liberal economies that have implemented neo-liberalist policies can one not speak about the “perfect market”. In this sense the concept of “perfect market”
is an ideal-type to which existing empirical reality is compared to. Miguez, Nestor and Sung provide an example from the work of a well known neo-liberal theorist Thomas L. Friedman:

“From the first stirrings of capitalism, people have imagined a possibility of a world as a perfect market – unimpeded by protectionist pressures, disparate legal systems, cultural and linguistic differences, or an ideological disagreement. But this vision has always bumped up against the world as it actually is – full of sources of friction and inefficiency.”

According to liberation theology the concept of “perfect market” in neo-liberal theory is a transcendental concept that “enables the analysis and classification of empirical economies and supplies the major guidelines for sociopolitical action.” In that sense the concept of “perfect market” serves as an utopian horizon toward which neo-liberal policies should be moving. “Perfect market” is an ideal-type that serves as a benchmark against which empirical reality should be evaluated in terms of possible policies.

One of the important question that liberation theology addresses with its critique of transcendence of market is how neo-liberal hegemony is reinforced. Liberation theologians argue that market has become a transcendental concept that serves as a source of hope. Neo-liberal theorists believe that the market institution, when left to function without intervention, will overcome the problem of scarcity and make possible the limitless accumulation of wealth. This belief seems to persist despite the evidence that neo-liberal policies have not generated the expected results. In the case of Latin America this question is well summed up by Stiglitz:

“What growth has occurred has largely benefited the already relatively well off /.../, those at the bottom have not shared the gains. They were told that market reforms would bring them unprecedented prosperity.

215 Ibid. p. 73
217 Miguez, Nestor; Rieger, Joerg; Sung, Jung Mo. *Beyond the Spirit of Empire: Theology and Politics in a New Key.* p. 73
Instead, it has brought unprecedented instability. Why should they continue to believe in these reforms?218

Liberation theologians argue that in addition to a strong belief into the market one of the characteristic features of neo-liberalism is its sacrificial theology.219 The idea of sacrifice is present in most societies and most religions.220 But as Sung points out it has a special importance in the Western cultural consciousness.221 Because of the Christian inheritance it is easier for the sacrificial theology to appear in spheres that are usually considered to be non-religious. According to Sung the Christian notion that “without sacrifice there is no salvation” is widespread in Western culture.222 Liberation theologians argue that this sacrificial theology has moved into economy in neo-liberal capitalism. In neo-liberal capitalism sacrifices are demanded in the name of economic redemption. The sacrificial theology of neo-liberalism is most evident during the economic crises. When the market logic fails to generate positive outcomes this often leads to austerity measures and cutting of social expenditure. In those situations it becomes necessary to re-legitimize the dominant economic system. Neo-liberal theorists believe into the positive outcome of the market but when the market logic generates social problems instead, like it has been in the case of Latin America, then these problems are explained away by claiming that sacrifices are necessary in the name of future progress.223 As Sung argues, because there is a strong belief into the positive outcome of the market mechanism among neo-liberal theorists they have left with two choices in the case of market failure: either to accept the failure of market and take the responsibility for previous unnecessary sacrifices or to claim that sacrif-

221 Sung, Jung Mo. *Desire, Market and Religion.* p. 98
223 Sung, Jung Mo. *Desire, Market and Religion.* p. 18
fices already made were insufficient. This will generate a circle of sacrificial logic where new austerity measures and more cuts to social expenditure are proposed as a solution to market failure. Those who have strong belief into market tend to argue that economic and social problems are caused because of the intervention into economy and the lack of “total market”. As Sung points out, neo-liberal theorists tend to blame those who try to have social goals, that is, for example workers' rights movements and political parties. A similar view is put forward by Rieger. He argues that that implicit religion has an important role in justifying sacrifices in the name of future benefits. For example, the philosophy of trickle down economics is based on the belief that everyone benefits from market logic in the future. This belief is used to justify cuts in pay, abolishing workers rights and social benefits in the name of future benefits generated by the market. As Rieger points out, implicit religion in economy has important role in keeping alive the belief into beneficial nature of market.

2.3.2 Critique of Market as Self-organizing System

Adjacent to the previous critique of market I discussed in chapter 2.3.1 is liberation theology's critique of market as a natural self-organizing system. Contemporary liberation theology exist in a new paradigm where social sciences make increasing use of concepts that formerly belonged to natural sciences. Concepts like emergence and self-organization that are used in social sciences to describe complex social processes are also increasingly used to legitimize non-intervention into those processes. This presents a new challenge to disciplines engaging in social critique. As Sung points out, this new paradigm questions some of the basic theoretical foundations of social criticism. For example, self-organization paradigm undermines the theory of causality that is often the basis for ethical re-

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224 *Ibid.* p. 91
226 Rieger, Joerg. *No Rising Tide: Theology, Economics and the Future.* p. 52
flection and social critique. Critical disciplines like liberation theology have traditionally looked for the causes of social marginalization in a social system and then proposed a possible action to change those aspects of a social system that cause marginalization. This has presupposed a view of “historical subject” who would intervene into social processes and “construct” a new society based on rational actions. But as Sung points out, in a self-organization paradigm these presuppositions are questioned.

Neo-liberal reforms in Chile in the 1970's were implemented by help of military dictatorship. But since the 1990s neo-liberal capitalism has become the dominant hegemonic system not only in Latin America, but also in Europe and U.S where it has been implemented through democratic consent. In popular consciousness neo-liberal capitalism has become the system without alternatives. Harvey points out that that such a radical shift in public consciousness needs a construction of consent among the majority of population. One of the ways through which neo-liberal capitalism has reinforced its hegemony – and which has become an object of critique in liberation theology – is what Figueredo calls “the naturalization of the social”. Figueredo means with that term that the neo-liberal economic system is increasingly described and justified as a natural system that functions and evolves according to laws of nature. A similar view is put forward by Thomas Frank, according to whom, neo-liberal market system has had to be constantly legitimized for it to become perceived as a natural phenomena in public consciousness. Frank claims that by the end of the 1990s the neo-liberal market capitalism had become perceived in public consciousness as a natural evolutionary system. According to Frank, by the end of 1990s there was “a general belief among opinion-makers that there is something natural, something divine, something inherently democratic about markets”.

229 Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 85
230 Ibid.
231 Harvey, David. A Brief History of Neoliberalism. p. 39
232 Figueredo, Dario Salinas. Democratic Governability in Latin America: Limits and Possibilities in the Context of Neoliberal Domination (85-103). Imperialism, Neoliberalism and Social Struggles in Latin America. p. 93
234 Ibid. p. 16
Liberation theologians argue that the neo-liberal concept of a market as a natural system is based on the latent assumption about the divine providence behind the market system. For example, according to Rieger Adam Smith's notion of the “invisible hand of the market” has still an important place in contemporary neo-liberal understanding of economy. He claims that at first the notion of “invisible hand” might seem like a quasi-theological relic from the archaic worldview but in reality it has an important position in contemporary neo-liberal economic imaginary. The notion of the “invisible hand” refers to market's ability to generate common good out of self interest. As Rieger points out, Smith argued that if self-interested social actors pursue their own self interest in a market place they will also promote general interest of society without intentionally trying to do so. Therefore, the “invisible hand” of the market is a theological concept that refers to a quasi-divine force that turns self-interest of social agents into common interest of society. As Rieger points out, what is important to note, is the fact that neo-liberal understanding of free-market economy is based on a transcendental concept. There is a belief into the power of self-organizing market mechanism that automatically generates common good out of the actions of self-interested social actors. This belief has important theoretical repercussions, as it implies that any corrective action or intervention into the workings of market mechanism is undesirable. Therefore, any attempts to intervene to the functioning of market mechanism would led them to be perceived as “unfaithfulness or even blasphemy”. Sung also argues that neo-liberal theorists, when faced with the negative outcome of the workings of “invisible hand”, are left with the problem of unfaithfulness. When the market mechanism generates negative outcomes, then neo-liberal theorists who believe into the market's power to generate common good can not see any solutions outside the market. Because “to search for extra-market solutions, such as intervention by government or civil society would be a denial of faith into market.”

236 Ibid.
237 Ibid.
238 Sung, Jung Mo. *Desire, Market and Religion*. p. 90
As Sung points out, since Adam Smith economic theory has been concerned with the market as a complex self-organizing system.\textsuperscript{239} This means that there has been an increasing use of metaphors that originate from natural sciences to legitimatize neo-liberal market system.\textsuperscript{240} The view that economic markets are autonomous quasi-natural systems is central to neo-liberal thinking. In neo-liberal ideology markets are often described as self-organizing systems that are developing according to natural laws of evolution. As Turner points out, this position was strongly advocated by Austrian School economists who advocated for non-intervention into economy.\textsuperscript{241} By proposing a theory of economics that described market capitalism in terms of natural system, Austrian School economists tried to undermine competing theories that supported state regulation of economy.

One of the main proponents of this position was Friedrich A. Hayek whose ideas have most influenced the neo-liberal ideology.\textsuperscript{242} According to Turner, Hayek's primary contribution to neo-liberal thinking is his theory of “market order” as product of natural evolution and “spontaneous order”.\textsuperscript{243} This view states that in a capitalist free market economy no single participant can possess complete information about market relations and possible intentions of other participants in the market. In this situation co-ordination of the actions of numerous actors in the market are guided by the price mechanism. The price mechanism in a market system works as an information feedback system. Change in commodity prices is a signal which sends information into the system and allows participants to make informed decisions about their possible actions. This produces a system of “spontaneous order which appears to be the result of an omniscient mind”.\textsuperscript{244}

This position is also well summed up by Samuelson and Nordhaus:

\textsuperscript{239} Sung, Jung Mo. \textit{The Subject, Capitalism, and Religion}. p. 106
\textsuperscript{241} Turner, Rachel S. \textit{Neo-Liberal Ideology. History, Concepts and Policies}. p. 121
\textsuperscript{243} Turner, Rachel S. \textit{Neo-Liberal Ideology. History, Concepts and Policies}. p. 121
\textsuperscript{244} Ibid. p. 122
“A market economy is an elaborate mechanism for coordinating people, activities, and businesses through a system of prices and markets. It is a communication device for pooling the knowledge and actions of billions of diverse individuals. Without central intelligence or computation, it solves problems of production and distribution involving billions of unknown variables and relations, problems that are far beyond the reach of even today's fastest supercomputer. Nobody designed the market, yet it functions remarkably well.”

Hayek's view is based on epistemological pessimism. For Hayek, human mind in its capacity to possess knowledge is limited. Social agents can not possess full knowledge about such a complex system as a market economy. Also they can not know what knowledge other social agents possess. Market as spontaneous order is better than its alternatives because it allows more efficient use of knowledge by social agents in society. In market system knowledge of individual social agents overlap and this coordinates their actions while at the same time lets each individual social agent to pursue its own self-interest. The market system is so complex that ultimately it is unknowable for any single social agent. From this follows that there should be minimal intervention into the workings of the market mechanism. If it is impossible to know all the variables at work in a market system, then, for Hayek, this means that any interference into the natural working of market would probably cause more harm than good.

Sung criticizes Hayek and argues that if no one can possess all the information about the market and its outcomes then this raises the question how can one come to the conclusion that market is the best form of economic organization. To conclude that market is a best form of economic organization would presume knowledge about the outcomes of the market. Moreover it would also presume the

248 Ibid. p. 54
249 Sung, Jung Mo. *The Subject, Capitalism, and Religion*. p. 80
knowledge about all the variables of market system and its alternatives. Because to conclude that market system is the best possible form of economic organization, it would also need to be compared to all the other forms of economic organization. Sung argues that because Hayek can't show that his theory is true, he tries to show that all other forms of economic organization that are based on state intervention into economy generate economic chaos. As Sung points out, Hayek tries to solve this problem not by presenting a proof of his theory but through negating alternatives.\(^{250}\)

The idea of a market that emerged and developed without any central intelligence is in neo-liberal thinking linked to the theory of evolution. According to Sung this connection is made in a way that makes it possible to see the market mechanism as a positive force.\(^{251}\) Market is not only a system of spontaneous order but it is also an evolutionary system moving towards a positive outcome. In neo-liberal theory spontaneous order of the market always moves toward maximizing individual income by increasing everybody's chances most optimally.\(^{252}\) This means that the market is a system of natural selection that through competition eliminates negative inefficiency. By selecting out those who make loss, and rewarding those who make profit, the spontaneous order of the market moves society toward an increasing common good.

As liberation theologians point out the problem with linking spontaneous order to evolutionary scheme is that this presumes an epistemological leap.\(^{253}\) Neo-liberal theorists associate the self-organizing nature of market with the evolution theory that always presumes a positive outcome. If Hayek is correct that the market system is so complex that no single social agent can possess all the knowledge about the relations and factors of the market then there is no reason to presume a positive outcome of the market processes. Moreover, this ignorance about all the market relations and possible outcome of those relations means that there also is no reason to presume that market should be left to its own devices without any in-

\(^{250}\) Ibid. p. 72  
\(^{251}\) Ibid. p. 81  
\(^{253}\) Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 81; Miguez, Nestor; Rieger, Joerg; Sung, Jung Mo. Beyond the Spirit of Empire: Theology and Politics in a New Key. p. 82
terference from society. This implies that neo-liberal theorists can base their theory about the possible outcomes of the market only on the act of faith.\textsuperscript{254} As Rieger points out this is especially the case with economic theorists who appeal to evolutionary schemes.\textsuperscript{255} Because the outcome of the evolutionary systems can not be actually predicted, they need a stronger belief into positive outcome. Therefore, neo-liberal theorists need to believe into the positive outcome of the market system and maintain faith into the possibility that it develops in the right direction.\textsuperscript{256}

Liberation theologians argue that for neo-liberal thinkers intervention into economy would constitute a kind of “original sin”.\textsuperscript{257} If the market is an omniscient mind then to pretend to know the functioning of market would constitute a sinful act. Neo-liberal theorists argue that any intervention into economy with the intention to improve it, or to promote social good would instead generate market instability. This in turn would lead to economic disorder. Intervention into economy would be a sin because if one pretends to possess knowledge about market and interferes into its functioning the outcome would be economic instability. Therefore intervention into functioning of market would generate more harm than good. This means that neo-liberal theorists consider non-intervention to be better option even when market mechanism produces social problems. As Sung argues, neo-liberalism is very similar to religion because its analysis of the causes of social problems lies on the presumption that they are caused by fundamental evil.\textsuperscript{258} For example, if the market mechanism does not generate the expected outcomes but social marginalization instead there is a need for an explanation of the fundamental causes of the malfunctioning of the market mechanism. As Sung points out neo-liberal theorists like Hayek see social and economic policies as the root cause of economic problems. The pretense to knowledge would mean that one does not show humility when faced with the omniscient mind of the market. When one attempts to interfere into the market mechanism the outcome would be evil. Sung

\textsuperscript{254} Sung, Jung Mo. The Subject, Capitalism, and Religion. p. 81
\textsuperscript{255} Rieger, Joerg. No Rising Tide: Theology, Economics and the Future. p. 70
\textsuperscript{256} Ibid.
\textsuperscript{257} Miguez, Nestor; Rieger, Joerg; Sung, Jung Mo. Beyond the Spirit of Empire: Theology and Politics in a New Key. p. 81; Sung, Jung Mo. Desire, Market and Religion. p. 15
\textsuperscript{258} Sung, Jung Mo. Desire, Market and Religion. p. 15
argues that this view in neo-liberalism is a re-reading of the myth of Adam and Eve.\textsuperscript{259}

2.4 Conclusion

One of the unique aspects of liberation theology has always been its critique of sociopolitical context from the perspective of socially marginalized. As some liberation theologians have argued most important questions for liberation theology do not lie in theology but in the sociopolitical context where matters of human life and death are determined. Contemporary liberation theology has continued its tradition of social criticism in new context. After the 1990s liberation theology's context had changed substantially. The demise of the socialist alternative meant that neo-liberalism had become a dominant economic system without no possible alternative. This has led liberation theology to re-evaluate some of its positions toward the economy and economic science.

Neo-liberal theorists claim that their theories are grounded in economic science. Contemporary liberation theology contests this view. Economic theories rest on their own worldviews and hidden metaphysical assumptions that are often left unquestioned. Liberation theologians argue that there is an implicit religion in economy and economics has several features that make it similar to theology. Economics and theology address the same fundamental questions of how to bring new heaven on earth. They both advance specific vision of world and way to realize this vision. Moreover, economist can be seen as a class of priests advancing ideas of specific religion.

For liberation theology the most important question is how society relates to its transcendental concepts. Liberation theology asks what kind of values are underlying the implicit religion in neo-liberalism and how are they related to the maintaining the dominant economic system. I have discussed two closely related approaches of critique in liberation theology. Liberation theologians argue that market in neo-liberal theory is a transcendental concept. Market in neo-liberalism

is deified. Neo-liberal theorists believe into the beneficial nature of the market mechanism that would ultimately bring economic redemption and the arrival of new heaven on earth. The belief into the beneficial nature of market mechanism has important consequences to spheres outside the economy because those who advance this belief argue that there is a need to abolish all obstacles that would lead to the “perfect market”. Liberation theologians argue that the belief into the beneficial nature of the market is tied to a sacrificial theology that is often used to justify abolishing social goals and cutting back social expenditure.

Closely related to liberation theology’s critique of market as transcendence is its critique of market as a self-organizing system. Market is described in neo-liberal ideology as a natural system that regulates itself in a best possible way. It is seen an omniscient mind which directs economy toward realization of common good. Neo-liberal theorists argue that no one can possess full knowledge about the functioning of the market and therefore no one should try to intervene into its functioning. Liberation theologians criticize this view and point out that there is no reason to presume that market leads to realization of common good. This view can only be based on faith. They also argue that if the functioning of market can not be known, then there is no reason why there should be no intervention into the functioning of market.
3. Conclusion

The common understanding that liberation theology is a school of thought that belongs to the past seems to be inaccurate. Since the end of the 1990s there has been a revival of liberation theology. A new generation of liberation theologians have emerged who self-consciously have revived the project of Latin American liberation theology. Even though contemporary liberation theology – as discussed in my thesis – is not geographically limited to Latin America its starting point is Latin American experience of social marginalization and poverty.

One of the central themes in the revived project of liberation theology is the critique of neo-liberal capitalism. What distinguishes liberation theology from traditional European theologies is its engagement with sociopolitical reality. Liberation theology has developed a prolific tradition of political and economic critique of society. In my thesis I have discussed the economic aspects of liberation theology's critique of neo-liberalism. I have mapped out four core topics related to liberation theology's critique of neo-liberalism: definition of neo-liberalism, definition of religion, the relationship between theology and economics, and liberation theology's critique of market.

In chapter 1 I presented a definition of neo-liberalism. In my thesis I have discussed some of the most characteristic aspects of neo-liberalism. Neo-liberalism has become a hegemonic system without seeming alternative. I have pointed out two characteristic features that define neo-liberalism as a sociopolitical context. One is the growing importance of economy as a site of power and the expansion of market logic outside the sphere of economy. The other one is the persisting poverty and social marginalization. This is especially the case with Latin America where neo-liberal policies have not generated expected results. Neo-liberalism is also an ideology with its own theories of human nature, society and ethics. A dis-
Distinct feature of neo-liberal ideology is the belief into the idea of unregulated markets as a best possible form of organization of all social relationships. For liberation theology the main question is how and why has neo-liberalism gained its hegemonic position despite the social problems it has created.

In chapter 1 I also discussed problems related to defining religion. Liberation theology has re-affirmed its position as a post-idealist theology that acknowledges challenges presented by secularization. Liberation theology sees modernity as non-secular. This raises the question if the rise of modernity did not lead to secularization then where is the religion in modernity located. Liberation theologians argue that traditional functions associated with religion have moved into sphere of economy and into the capitalist market institution in particular. This in turn raises the question of how to define this religion.

For liberation theology religion is a fundamental anthropological dimension of human beings. If religion is understood as an anthropological dimension of human beings then this widens the definition of religion. Therefore, religion defined as an anthropological dimension of human beings does not presume necessarily belief into God. Religion defined in such broad way refers to belief into any powers, meanings or realities that transcend what is ordinarily thought of as human. By this definition religion can also refer to beliefs into concepts that are ordinarily considered to be secular. Belief into the market falls under scope of this definition.

In chapter 2 I discussed two closely related subjects: the relationship between economy and liberation theology and liberation theology’s critique of market. If there is an implicit religion in economy then this raises the question if there are similarities between implicit religion in economy and traditional institutional religion. I showed that economics can be viewed as theology because both deal with similar questions. This implies that neo-liberal economist can be viewed as priests of a secular religion. Liberation theology inquires what kind of theology do neo-liberal economists advance and how this legitimatizes dominant system.

In chapter 2 I also discussed how implicit religion is present in neo-liberal capitalism. Liberation theologians argue that neo-liberal theorists have a strong
belief into the benevolent nature of market. Neo-liberal theorists believe that un-regulated markets will solve the problem of scarcity and will bring about eco-nomic redemption. This means that market in neo-liberal ideology is a transcend-ental concept. The key question for liberation theology is how society relates its transcendental concepts. Liberation theologians argue that the belief into market mechanism has important consequences to society because it influences how soci-ety is organized.

Some suggestions for further research can also be proposed. The distinct ap-proach of liberation theology provides a theoretical framework in which many of the features of neo-liberal capitalism can be analyzed. The political thought in lib-eration theology is closely related to its critique of economy. If the market has be-come the main site of power in society then this has important theoretical reper-cussions. As the contemporary liberation theology has so far remained at the mar-gins of theological thought its political ideas and their relationship with critique of economics warrants further research. Moreover, liberation theology’s social cri-tique and broad understanding of religion raises the question of the definition of theology itself. Liberation theology questions what functions as a God in society. It could be theorized that by formulating the question in that way liberation theo-logy overcomes the secular/religious divide and moves toward being a critical sec-ular discipline. In my opinion this line of thinking in liberation theology also war-rants further research.
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Resüme

Minu magistritöö eestikeelne pealkiri on „Neoliberalismi Kriitika Vabastusteoloogias“. Töö eesmärgiks on anda süstematiseeritud ülevaade põhilistest teemadest ja küsimustest, mis on seotud neoliberalismi kriitikaga uusimas vabastusteoloogias. Teema valik on põhjendatud sellega, et vabastusteoloogia taaselustumine kahetuhandete alguses on jäänud siiani tähelepanuta. Vabastusteoloogia kritiline lähenemine majandusele kui religioonile on uudne ning aitab mõtestada religiooni ja majanduse vahekordi uuel viisil. Samuti on teema põhjendatud sellega, et kirjanduse hulk uusimast vabastusteoloogiaest on veel piiratud. Oma magistritööga loodan panustada selle olukorra muutmisse.

Töö meetodiks on kirjanduse analüüs eesmärgiga tuua välja põhilised teemad ja küsimused, mis on seotud neoliberalismi kriitikaga uusimas vabastusteoloogias. Töö annab ülevaate problemaatikast ja selle hetkeseisust. Töö on struktureeritud nii, et see liigub põhimõistete defineerimiselt ja üldistelt teoreetilistelt küsimustelt konkreetse neoliberalismi kriitika juurde vabastusteoloogias.

Töö esimene peatükk tegeleb põhimõistete defineerimisega, mis on oluline edasise probleemata ja mõistmiseks. Esimeses peatüki alapeatükis 1.2. annan ülevaate neoliberalismist ning selle olulisematest tunnusmärgidest. Neoliberalismi saab käsitleda sotsiopolitiilise kontekstina kui ka ideoloogiana. Neoliberalismi kui sotsiopolitiilist konteksti iseloomustab eelkõige turuloomiku laienemine eluladale väljaspool majandust. Samuti iseloomustab neoliberalismi kui sotsiopolitiilist konteksti sotsiaalse ebavõrdsuse ja vaesus. Neoliberalism kui ideoloogia on maailmavaade, millel on oma eetika ning oma spetsiifiline inimene- ja ühiskonna-käsitlus. Neoliberalismi kui ideoloogia peamiseks iseärasuseks on tugev usk tur-
gudesse kui parimasse majanduse ning ühiskondlike suhete reguleerimise viisi. Neoliberalismi pooldajad väidavad, et reguleerimata turud võimaldavad indiviidi-del konkureerida oma huvide ning eesmärkide saavutamise nimel ning et see toob kasu kogu ühiskonnale.


Teise peatüki alapeatükis 2.3 käsitlen kahte neoliberalismi kriitika suunda vabastusteoloogias. Neoliberalismi keskseks tunnusjooneks on usk turgude võimesse luua sotsiaalset hülve. Vabastusteoloogide kriitika on suunatud turu sakraliseerimise vastu neoliberalismis. Vabastusteoloogid väidavad, et turg on neoliberalis-
mis sakraliseeritud ning sellel on olulised tagajärjed ühiskonna jaoks. Turu sakraliseerimine on tihedalt seotud ka selle kujutamisega „loodusliku“ süsteemina, mis funktsioneerib evolutsiooniseaduste kohastelt. Kui neo-liberalismi ideoloogia pooldajatel on õigus ning turg on „looduslik“ isereguleeriv süsteem, mis garanteerib alati optimaalseima tulemuse, siis sellel on olulised tagajärjed sotsiaalse kriitika jaoks. Töö viimane osa tegelebki selle probleematikaga vabastusteoloogias.
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