

# **In the name of money: Central banking as a secular religion**

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**Abstract:** In the past two decades the principle of central bank independence has emerged as one of the firmest normative pillars of the current world economic order and central banks have been regarded as the epitome of economic rationality. It is therefore not surprising if public discourse on central banking generally presents central banks in technical terms. Yet, whenever central banking is talked about in non-technical terms, one curiously stumbles upon an extensive use of religious metaphors that point to the construction of a full blown secular religion based upon the Judeo-Christian tradition. In this paper I will document such a phenomenon with reference to the German case. This will help me bring to the surface one neglected latent source of civilizational conflict that is inherent in economic globalization. The paper moves from the assumption that placing this phenomenon above the threshold of reflexive consciousness will constitute one first step towards mitigating such conflict.

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*To many of us, money is a mystery, a symbol handled mainly by the priests of high finance, and regarded by us with much of the same reverence and awe as the primitive feels toward the sacred relics providing magical potency in a tribal ritual. ... like spellbound savages in the presence of the holy, we watch in wonder the solemn proceedings, feeling in a vague, somewhat fearful way that our lives and the happiness of our children are at the mercy of mysterious forces beyond our control.*

*Desmonde (1962, pp. 3-5)*

*...the lexicon of The Wall Street Journal and the business sections of Time and Newsweek... bear a striking resemblance to Genesis, the Epistle to the Romans, and Saint's Augustine's City of God. Behind descriptions of market reforms, monetary policy, and the convolutions of the Dow, I gradually made out pieces of a grand narrative about the inner meaning of human history, why things had gone wrong, and how to put them right. Theologians call these myths of origin, legends of the fall, and doctrines of sin and redemption.*

*Harvey Cox (1999, p. 21)*

*In the most radically secularized societies ... there are a number of apparently non-religious phenomena in which one can decipher new and original recoveries of the sacred ...*

*Mircea Eliade (1969, p. III)*

*Economic theory prescribes the efficient ways of achieving given ends: this to Knight was a pathetically small part of human activity. ... man is an explorer and experimenter, a seeker for unknown and perhaps unknowable truths, a creature better understood through the study of literature than by the scientific method*

*Stigler (1987, p. 58)<sup>1</sup>*

## **1. Introduction**

In the past two decades the principle of central bank independence has emerged as one of the firmest normative pillars of the current world economic order and central banks have been regarded as the epitome of economic rationality. It is therefore not surprising if public discourse on central banking generally presents central banks in technical terms. Yet, whenever central banking is talked about in non-technical terms, one curiously stumbles upon an extensive use of religious language.

This phenomenon has not left sociologists indifferent. While engaging a red-hot polemic against the Bundesbank, for example, Pierre Bourdieu denounced the ongoing transformation of the currency into an almost religious phenomenon. He warned that notions like globalization or flexibility are vague notions that circulate almost by religious intuition. And he stigmatized Hans Tietmeyer, then President of the Bundesbank, for using a dogmatic and ritual language.<sup>2</sup>

Does such a religious transformation of monetary affairs within the public sphere actually matter? Tognato (2003) suggests that it does. The use of religious discourse in central banking contributes to catapult monetary affairs onto the symbolic center of society. It transforms the monetary game into a morality play and, by doing so, it helps establish a stability culture upon which the independent central bank can rely for its smooth operation.

In this paper I will not discuss the effects that the religious transformation of central banking may have upon the functioning of the central bank. Rather, I will take a step aback and document the perception that central banking may have indeed turned into a secular religion. This will help me bring to the surface one neglected source of civilizational conflict that is inherent in economic globalization.

The possibility that in modern society religion may have undergone a process of transformation and displacement driving it underground and then having it resurface as camouflaged mythology or degenerated ritualism<sup>3</sup> has been intensively debated for decades among philosophers, historians, political theorists and social theorists.<sup>4</sup>

Scholars have recognized that secular religions are “doctrines that in the souls of our contemporaries take the place of a vanished faith, and that locate humanity’s salvation in this world, in the distant future, in the form of a social order that has to be created.”<sup>5</sup> They provide global interpretations of the world. They set quasi-sacred goals upon which they establish a metric to tell the Good apart from the Evil. They say how to achieve the Good and defeat the Evil. They celebrate the collective goals and justify the sacrifices to achieve them.

Within the political realm secular religions have taken up two different forms. As civil religions, they have brought religion together with politics, while still recognizing their fundamental distinctiveness. As political religions, instead, they have allowed politics to completely displace religion by having the former take up the features that traditionally belonged to the latter.<sup>6</sup>

The religious transformation of central banking in the public sphere is one instance of the operation within market societies of an economic religion that shares the very same character of political religions. In other words, in economic religions the economic sphere totally displaces the religious sphere by taking up the features that characterized the latter, such as its modes of expression - myth and ritual, communitarian forms of sociation, forms of adhesion based on faith - and its latent social functions.<sup>7</sup>

Before proceeding, I will lay out the structure of this paper. In Section 2 I will show that both theologians and economists have acknowledged the possibility that market societies might be permeated by an economic religion. In section 3 I will provide a broad overview of religious discourse on money and central banking with specific reference to the German case. In section 4 I will show how this case can help us recover one source of the civilizational conflict that is inherent in economic globalization.

## **2. The existence of an economic religion: Views from economics and theology**

The operation of an economic religion in market societies has drawn the attention of both economists and theologians.

Deirdre McCloskey has denounced economics as “modernist faith” with its own “Ten Commandments and Golden Rule,” its “nuns, bishops, and cathedrals,” its “trinity of fact, definition, and holy value,” its starting as a “crusading faith” and its later hardening “into ceremony.”

It is with Robert Nelson, however, that the religious dimension of economics has received systematic attention within the economists’ camp. According to Nelson economics

embodies a hidden metaphysics that provides a way of ordering, interpreting, and giving meaning to events, as well as a source of ultimate meaning and purpose for human beings. At the core of such metaphysics there is the belief that scarcity is the primary cause of pain, suffering and death, and that by virtue of its inspirational power economics can save us from the consequences of scarcity. Such a moral as well as spiritual core of the discipline – Nelson continues – is responsible for the ever-expanding role that economics and economists have taken up in modern society:

an economics that limited itself to strictly scientific elements would have been and would still be cautious, hesitant, retiring – a pale imitation of minor significance as compared with the central role economists and the economic way of thinking have played in the modern age. (pp. xxiv-xxv)

As a theologian of secularization, Harvey Cox has been intrigued by the resurfacing of religion within the economy. Cox has gone as far as suggesting that the ‘economic theology’ is comparable in scope if not in profundity to that of Thomas Aquinas or Karl Barth. Within such a theology the Market occupies the place of an omnipotent, omniscient and omnipresent God. Like God, it is enveloped by a divine aura of mystery and reverence. The economist Gregory Mankiw has recently referred to the “inexorability and mysteriousness of the Phillips curve.” Without such an aura it would have hardly been possible to title his article this way.

Like Calvin’s inscrutable deity, - Cox continues - the qualities of the market are not accessible to human rationality but only to true faith as evidence of things unseen, a faith that can go as far as immunizing the economist’s gaze from rationality itself and make him follow Tertullian’s maxim - "*Credo quia absurdum est*" ("I believe because it is absurd").

The possibility that the economist could yield to absurdity would appear at first the misconstruction of the theologian that is badly versed in economics. Yet, there are voices from the economists’ camp that would point in a different direction.

Rogerson, for example, has complained that Friedman’s NAIRU has been outperformed by other more powerful labour market theories<sup>8</sup>; it is empirically superfluous<sup>9</sup>; it has not been helpful in forecasting inflation<sup>10</sup>; and it has been a mediocre indicator of allocative efficiency of resources in the economy<sup>11</sup>. Furthermore, the concept has been loaded with so many meanings to make it difficult to understand what it exactly stands for. Yet, it has resisted for decades. Galbraith has echoed Rogerson’s puzzlement:

It is often necessary to revise a parameter once or twice in light of new information. Differences of specification are also in the early stages of scientific inquiry. But to hold to a concept in the face of 20 years of unexpected variation and failure of the profession to coalesce on procedural issues is quite another matter. This record has become an embarrassment to the reputation of the profession.<sup>12</sup>

Cox has also observed that the Market has turned into a Yahweh of the Old Testament, a Supreme and uniquely true God before whom everyone is supposed to bow. It permeates everything around us but also everything within us. In other words, it has turned into a God - to tell it with Saint Paul - “in whom we live and move and have our being.” This interpretation clearly echoes the reading that Nelson (2001, p. 185-186) gives of the

members of the third generation of the Chicago tradition such as Gary Becker, Robert Lucas, and Richard Posner:

everything that happens in the world is said to be controlled by the economic forces of the market that replace the structural position of God. All the dimensions of life including altruism, love, political ideology boils down to the economic drive for individual gain.

Within the theologians' camp, however, theologians of liberation have paid greatest attention to the economic religion and Hugo Assmann, in particular, has provided the deepest and most sophisticated treatment of such a phenomenon

Assmann remarks that

economic rationality 'kidnaps' and functionalize essential aspects of Christianity ... it constitutes an 'economic religion' that unchains an idolatric process" and segregates theological reflection to the ethical sphere.<sup>13</sup> Thanks to the vacuum left by theology, economics has monopolized the interpretation of the uniquely acceptable historical meaning of the new commandment within the economic sphere – "love your fellow-brother as I loved you".<sup>14</sup>

And by doing so, it has tied everyone's destiny – cruel or beneficial as it may be – under a communion that will bless all. This is the communion of the saints and the sinners under the Mystic Body of the Market.<sup>15</sup>

Like Tognato (2003), Assmann suggests that the transformation of economic rationality into mysticism is mediated by particular metaphors. In particular, the metaphors of the *homo oeconomicus* legitimizes the gap between the reality that economists perceive and reality as others perceive it. As Assmann (1997, p. 36) puts it, the existence of such an ethereal being as the *homo oeconomicus* does away with all tangible corporality. Real hunger, real death, real needs simply disappear.

Along with René Girard, theologians of liberation have observed that through the universal acceptance of the market as a transcendent entity and through the transformation of economics into a religion of the destiny, the market system can now set apart holy from legitimate violence, thereby avoiding that such violence be turned into a reason for recrimination or revenge. Economics could therefore turn into a penitential religion that allows sacrifice to the Market-Moloch, and that calls for innocent propitiatory victims for the purpose of purifying society.<sup>16</sup>

Theologians of liberation have stressed the idolatric nature of the economic religion. Idolatry lacks of a *deus absconditus*. As Sironneau (1982, p. 524-5) points out, idolatry lacks of the crucial internal tension between the need for the sacred to take a material form in order to manifest itself and the need to resist finitization through the embodiment in a material form. On such ground, however, it seems incorrect to suggest that the economic religion lacks of such a *deus absconditus*. Indeed, economists will try to divinate the Market but will not necessarily manage to master it. The Market, in other words, will keep its fundamental ineffability.

Once established the plausibility of an economic religion in market societies, I will proceed by taking stock with the manifestation of such religion in public discourse on money and central banking.

### **3. Religious discourse on money and central banking: The case of Germany**

Central banking is a highly technical field. It is therefore not surprising to see that public discourse on monetary affairs generally keeps a highly technical profile. Yet, technical accounts are not all that one may stumble upon. In an extremely rare contribution on the language of monetary affairs Scherbacher-Posé observes that war, life and death, health, birth and childhood, physics and technology, sea, sport, building, marriage, and “legions of religious metaphors” have provided alternative fields of representation to talk about money and central banking.<sup>17</sup> The purpose of this section is to provide a broad overview of the use of religious metaphors in public discourse on money and central banking.

This will allow me to pin down with reference to money and central banking the process of religious transformation that makes it possible for God to descend to the trading floors and for money to ascend to the godly heights as well as for central banking to gradually turn into a universe in which the smell of burning candles and the sound of Gregorian chorals serves as a background for prayers and homilies, for the justification and glorification of the dogmas, for the invocation of the good and the condemnation of the evil, for the praise of virtue and the reprehension of sin, for salvation, damnation, and prophecy.

For the purpose of this exercise I will here focus upon the German case since the German central bank has been universally held to be the exemplary model of independent central bank.

Edward Luttwak once suggested in a newspaper article titled “The real masters of the universe” that

a new religion has risen in the world, all the more powerful for not being recognized as such. Let’s call it Central Bankism. It is the faith of the men who control the banks of the world’s leading economic powers. Like most religions, Central Bankism has both a supreme god – hard money – and a devil – inflation.<sup>7</sup>

Before the introduction of the euro, religious discourse on money and central banking in Germany revolved around an all-powerful entity - the D-Mark, a very hard currency – which occupied the structural place of God.<sup>18</sup> As such, it was sacred and its replacement was regarded as “sacrilegious”.<sup>19</sup>

The Bundesbank guarded the God D-Mark<sup>20</sup> and its bankers had “consecrated their lives to strengthen, protect and adore the God D-Mark”.

The religion of money and central banking encompasses a catechism that distinguishes between monetary good and monetary evil. In particular, it tells good money apart from bad money<sup>21</sup> and it warns against inflation as the path to bad money.

According to such catechism inflation is deception. It is “like a country, where nobody speaks the truth.”<sup>22</sup>

Inflation is evil. It threatens the very existence of those whom it strikes. Inflation punishes, demotivates, makes dependent. Inflation is a moral problem and monetary policy is an institutional method to address it. A policy not geared to stability is indicative of lax morals.<sup>23</sup>

Inflation is temptation. Because states have strong souls but weak flesh,<sup>24</sup> the sirens of inflation will attract the weak politician but will not manage to win against the central banker.<sup>25</sup>

Inflation is a snake.<sup>26</sup> One may picture it as the Biblical snake in the Genesis. Or alternatively, as the snake of the Arcadian mythology.

Inflation is a “ghost” to hunt.<sup>27</sup> A journalist suggests that “there is a ghostly word in the German economic language, which one – so to say – pronounces with a whisper. ... This word is inflation. A reaction to the ghost of inflation requires a ‘readiness of the soul’ on the part of the population.”<sup>28</sup>

Inflation is a disease. The diffusion of shock waves throughout the international currency market is like the propagation of infections.<sup>29</sup>

Good money, instead, is grounded upon moral behavior. The choice of the nineteenth century German poet Annette von Dröste-Hülhoff to represent the 20-DM banknote – says Hans Tietmeyer – is not casual. There is an affinity between this poet and the Bundesbank. Dröste-Hülhoff incarnates in a certain way the self-understanding of the Bundesbank. She was independent and determined in the pursuit of her own path. She was parsimonious with money. And like the Bundesbankers, her time horizon of reference was the long one and she deemed future generations to be her only judges.<sup>30</sup>

The religion of money and central banking sets a path out of sin into salvation. It is not an easy one. No shortcuts are allowed. No miracles can or should be expected. Without sacrifices no healthy currency can be achieved.<sup>31</sup> There are no “miraculous weapons” which may be used in the battle against inflation<sup>32</sup>. The path to salvation is a “valley of tears”.<sup>33</sup> It is a long march across the desert; it is a “path of thirst”.<sup>34</sup> There can be no sin-debt without expiation-solution. “Monetary policy must hurt.”<sup>35</sup> A virtuous economy needs purification.<sup>36</sup>

Edward Luttwak stresses that the commitment to low inflation on the part of central banks is grounded into “absolute faith.” Orthodoxy, indeed, defines the credo of the Bundesbank<sup>37</sup>, that is, “more than 2 % inflation is diabolic.”<sup>38</sup> The Bundesbank is an absolute authority over faith. It can dispense the *imprimatur* over the policies carried out inside and outside Germany.<sup>39</sup> And in the name of the orthodoxy it may issue bulls of excommunication.<sup>40</sup>

Central banks are the shrine of the money-God. Edward Luttwak remarks that, like most religions, Central Bankism has its sanctuaries that inspire as much awe as any great cathedral, ranging “from the majestic Bank of England in London, to the Greek temple of the U.S. Federal Reserve on Wall Street, to the massive modernity of the Bundesbank’s compound.” Another observer even associates the central bank with the Vatican: “The reverence the Italians hold for the Vatican is matched only by their reverence for the Banca d’Italia. And the appointment of a new governor ought to be proclaimed with a cloud of white smoke and echoes of *habemus gubernatorem*, as a testament to the importance of the succession.”<sup>41</sup> Germany is no exception in this respect.

The Deutsche Bundesbank is a Church of the D-Mark in many different ways. It is a physical place, that is a “Money Temple”.<sup>42</sup> It is an institution, namely the “Money Vatican”.<sup>43</sup> It is a spiritual entity, i.e. the seat of the “Apostles of Stability.”<sup>44</sup> It is administered by the high-priests of the D-Mark and of hard monetary doctrine.<sup>45</sup>

The President of the Bundesbank is often paralled with the Pope<sup>46</sup> and the Central Bank Council with a conclave.<sup>47</sup> Hans Tietmeyer, however, has been variably represented as the Cardinal Prefect of the Congregation for the Doctrine of the Faith, that is, a monetary

equivalent of Cardinal Ratzinger, “all pure belief and holy rigidity”.<sup>48</sup> Or as the Cardinal Secretary of State, almost dogmatic in his beliefs but brought up in the waters of practical politics.<sup>49</sup> In other occasions he has been depicted as Archbishop of Frankfurt.<sup>50</sup>

Within its ranks the Bundesbank includes both ascetics such as Helmut Schlesinger<sup>51</sup> and preachers<sup>52</sup> such as Hans Tietmeyer. Tietmeyer is often depicted in the act of pointing from the pulpit his finger to the audience. “His homilies have the narrative structure of tragic dramaturgy. The devil appears under the form of inflation and only an independent central bank will be able to break free from the chains of the great annihilator of money.” Often, the homilies include quick excursions into hell, that is the hyperinflation of 1923 or the immediate aftermath of World War II.<sup>53</sup> Often, they aim at planting the seed of monetary virtue in the hearts of the audience and anchor the consciousness of monetary stability directly into the human consciousness.<sup>54</sup>

The words of the President of the Bundesbank are regarded as embodying a particular piety. Hans Tietmeyer’s words during periods of monetary chaos markets are regarded as “pious chants”.

Under the presidency Tietmeyer the representation of the Bundesbank as a Church of the D-Mark has been most apparent in public discourse, also in consideration of the deep Catholic faith of Hans Tietmeyer and of his training in theology. After three semesters of Theology at the University of Münster, Hans Tietmeyer moved to the University of Köln to study economics and to become a pastor of the D-Mark rather than a pastor of souls.<sup>55</sup> “Mr. Tietmeyer believes that the Bundesbank’s authority is spiritual as well as temporal. It stems from moral prowess as well as economic muscle.” Among his qualities his tireless intellect and missionary zeal.<sup>56</sup> His exclusively earthly mission and unique priesthood is the fight against inflation.<sup>57</sup>

To exercise his or her duty, the central banker needs a special wisdom. He prays after such wisdom for himself: “Give me not what I would wish for me but what I need”.<sup>58</sup> Or for his successors, like in Hans Tietmeyer’s invocation of Sarastos’s prayer for the new members of the Council of the European Central Bank:

“O Isis and Osiris, give  
the spirit of Wisdom to the new pair.  
Guide the steps of the wanderer  
Strengthen them with patience in danger.”<sup>59</sup>

To be a good central banker, however, one must be capable of detaching himself from materiality. Some, for example, stress the “seemingly cultivated unworldliness of the ‘Bundesbank man’”.<sup>60</sup> Furthermore, being a central banker requires an unconditional surrender to one’s own mission. The obituaries written for former Presidents of the Bundesbank are very much suggestive in this sense: “His life was voted to the D-Mark.”<sup>61</sup> Or, “monetary policy was his life.”<sup>62</sup> Or, he “died the way he lived – in monetary policy.”<sup>63</sup>

Missionary zeal and sincere belief are two further crucial attributes. Hans Tietmeyer is generally depicted as a “rough-hewn missionary.”<sup>64</sup> According to a Bonn official Tietmeyer relaxes “by explaining the truth as he sees it to everyone!”<sup>65</sup>. According to a senior OECD official “there is a certain religious fervour in what he says.”<sup>66</sup> Karl Otto Pöhl admits: “He is a believer. I am a bit afraid of him. You need a bit of agnosticism.”<sup>67</sup>

The representation of the Bundesbanker as a missionary is often coupled with that of the Bundesbanker as a prophet of monetary stability, at times, like Moses, warning in the desert,<sup>68</sup> lonely defender of the currency.<sup>69</sup> As a prophet, the Bundesbanker may be called

to carry out a providential task: “Always after hard catastrophes men with strength and character can fully exercise their authority at the summit of stabilizing offices – and fully profit from that. They have at their hand a way of absolute measure and will themselves become absolute.”<sup>70</sup>

To become a central banker, one needs to undergo a process of personal transformation, almost a conversion. A journalist observes that “Frankfurt bankers joke that nomination to the ZBR [*i.e. the Central Bank Council*] brings with it a conversion from worldly considerations not unlike that of clergy “taking the cloth”<sup>71</sup>. Otmar Issing, on his part, provides an interesting insider’s view to such a process of transformation:

Even if one does not want to believe in a kind of constantly repeating Pentecost miracle happening in the distribution of competence that has been missing before, the influence of the new environment, the prestige and the task of the central bank can produce upon the newcomer a transformation of his perception which may produce in one case or another surprise and disappointment, if not even indignation, on the part of the “political sponsor”. I would define this phenomenon as “Beckett-effect” along with the experience of Henry II of England when he appointed as archbishop of Canterbury his trusted chancellor, and saw how a genuine defender of the interests of the Church could develop out of the alleged representative of the interests of the King. Anyway, whether along with this case one should also include the readiness to undergo martyrdom, I will leave it open.”<sup>72</sup>

Quite interestingly, this very last point is indirectly taken up in an address for the centenary of the Banca d’Italia whereby Paul Volcker stressed the need for central banks to be able to say ‘no’ even if this is going to be particularly costly in personal terms: “It is not hard to understand why Guido Carli, the former head of the Bank of Italy, chose to hang behind his desk a very large painting of Saint Sebastian impaled with all those arrows.”<sup>73</sup>

In different occasion the Bundesbankers, however, have been represented as the Templars, defenders of the Holy Grail. The representation of the Bundesbank, and in particular to its presidents, in such terms is a constant across the history of the Bank and is common to representations of German central banking which have been produced both inside and outside Germany.<sup>74</sup> The Bundesbankers are Templars engaging a desperate battle against the lords of Bonn.<sup>75</sup> They are the Knights of a Holy Grail that none has been capable of seizing yet, *i.e.* the stability of the D-Mark.<sup>76</sup> In other cases, the Bundesbank itself has been represented as the Holy Grail.<sup>77</sup> The sessions of the Central Bank Council have been depicted as the secret meetings of the fraternity of the Grail.<sup>78</sup>

#### **4. Conclusion**

By recovering the religious transformation of central banking within the public sphere, I have not meant to contribute to debunk central banking or undermine its scientific credentials. For economists it would be too easy to dismiss such an empirical phenomenon as irrelevant or irrational. And for their critics it would be too self-complacent to use it as a pretext to denounce economics as a bogus practice.

In a different occasion I have suggested that the use of religious discourse in central banking contributes to catapult monetary affairs onto the symbolic center of society. It

transforms the monetary game into a morality play and, by doing so, it helps establish a stability culture upon which the independent central bank can rely for its smooth operation.

The reason for this paper to bring up central banking as a secular religion based upon the Judeo-Christian tradition has to do with the current debates over economic globalization and the clash of civilizations. In particular, the paper moves from the belief that bringing to the surface the religious form of being of many market institutions ultimately works as a preemptive mechanism with respect to a latent source of conflict within economic globalization.

If western economic imagination is so heavily and so profoundly permeated by western religious imagination, the potential for clash of civilizations is inherent in economic globalization across civilizational contexts unless western economic imagination is received and metabolized by local non-western forms of religious imagination.

The first step towards achieving this is to systematically document the transfiguration of western economic imagination into western religious imagination. This paper contributes to this very first step.

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## ENDNOTES

<sup>1</sup> George J. Stigler, "Frank Hyneman Knight," in John Eatwell, Murray Milgate and Peter Newman, *The New Palgrave: A Dictionary of Economics* (New York: Stockton Press, 1987), 58. In Nelson (2001, P. 131).

<sup>2</sup> "The bad part of such formulas of faith is that they are proclaimed as self-evident truths. None wonders, none raises questions, everything appears plain. The most that pray along with such a religious litany have no idea of economic theory. Nowadays, neo-liberalism has become what for the theologians in the Middle Age was the 'communis doctorum opinio', the general opinion of the doctors." Pierre Bourdieu. "Wie Maos rotes Buch": Interview by Dieter Wild and Romain Leick. *Der Spiegel* 09/ 12/ 1996, Nr. 50, pp. 172-173.

<sup>3</sup> See Eliade (1965, p. 173).

<sup>4</sup> See Löwith (1949), Bultmann (1957, pp. 56-73), Carl Schmitt (1985), Blumenberg (1983), Von Weizsäcker (1964, pp. 162-163), Jacques Ellul (1973, 1977), Alexander (1993), Bellah (1970) and Bellah and Hammond (1980).

<sup>5</sup> "L'avenir des religions seculieres," *La France Libre*, Jul-Aug. 1944. Repr. In Raymond Aron, *Histoire et Politique: Textes et temoignages* (Paris, 1985), p. 370.

<sup>6</sup> See, for example, Moltmann (1986) on the notion of political religion and Burrin (1997)

<sup>7</sup> Sironneau (1982, pp. 557-565).

<sup>8</sup> Rogerson argues that such modern theoretical approaches to the study of unemployment as the matching model in Mortense and Pissarides (1994) have provided more valuable insights. After showing that the matching model has made obsolete the distinction between friction and cyclical, voluntary and involuntary, equilibrium and disequilibrium unemployment, he argues that identifying the NAIRU with one of the notions of unemployment suggested in Mortensen-Pissarides

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model, i.e. equilibrium unemployment, deterministic steady state unemployment, and efficient unemployment, would be a step towards greater clarity.

<sup>9</sup> It could in fact be defined as equal to the trend component of the actual time series for measured unemployment, which would be in line with Friedman's (1977) use. In that case, however, there would be no utility in using the NAIRU if one can refer less unequivocally to such a trend.

<sup>10</sup> Inflation forecasting needs in fact to be based on a multiplicity of state variables such as accumulated capital stocks, both physical and human, inventories, number of employment matches, unemployment, various institutional parameters, the value of any persistent shocks like price increases of the imported oil, technological advances, tariff policy of other countries, etc. Unemployment is therefore just one of the many necessary variables.

<sup>11</sup> However, he observes that unemployment does not say much about the choices to allocate society's time across activities.

<sup>12</sup> See Galbraith (1997:101).

<sup>13</sup> See Assmann (1997, (p. 27).

<sup>14</sup> See Assmann (1997, p. 135).

<sup>15</sup> See Assmann (1997, p. 141).

<sup>16</sup> See Assmann (1991, pp. 131-132).

<sup>17</sup> See Brigitte Scherbacher-Posé, "Du mark a l'euro, des mots au roman: monnaie et metaphors," in *Regards linguistiques et culturels sur l'euro*, ed. by Rosalind Greenstein (L' Harmattan: Paris, 1999), pp. 43-66.

<sup>18</sup> Winfried Münster. 'Die allmächtige Mark.' Süddeutsche Zeitung, 07/ 03/ 1995.

<sup>19</sup> 'La Bundesbank veille sur le dieu Mark.' L' Evenement du Jeudi, 14 au 20 January 1993, p. 27.

<sup>20</sup> 'La Bundesbank veille sur le dieu Mark.' L' Evenement du Jeudi, 14 au 20 January 1993, pp. 24-25.

<sup>21</sup> 'Gutes Geld und Schlechtes Geld.' Zeitschrift für das gesamte Kreditwesen, Nr. 11, 1991.

<sup>22</sup> Hans Tietmeyer. 'The value of monetary stability in the world today.' Speech delivered by the President of the Deutsche Bundesbank at the Von Hügel Institute of St. Edmund's College, Cambridge, 26/ 11/ 1992.

<sup>23</sup> Hans K. Herdt. 'Laxe Moral.' Mannheimer Morgen, 22/ 09/ 1966.

<sup>24</sup> Josef Joffe. 'Was der Markt uns sagen will.' Süddeutsche Zeitung, 11/ 03/ 1995.

<sup>25</sup> Nina Grunenberg, 'Prediger der harten Mark.' *Die Zeit*, 24/ 01/ 1997, Nr. 5; 'Die Bundesbank: Vorbild und schlechtes Beispiel,' by Eric le Boucher, translation., 20/ 04/ 1993, p. 1.

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- <sup>26</sup> ‘Preis-Stabilisierung im Sommer’ Hamburger Abendblatt, 06/ 04/ 1992, Nr. 82, p. 20; ‘Das fast vergessene Inflationsgespenst regt sich erneut.’ VDI Nachrichten 03/ 03/ 1989, Nr. 9; Franz Thoma, ‘Die Hüter des Geldwertes haben sich verdient gemacht.’ Süddeutsche Zeitung, 27/ 08/ 1991.
- <sup>27</sup> ‘Der Magier des Geldes.’ Focus 13/ 12/ 1993, Nr. 50, p. 166; ‘Das fast vergessene Inflationsgespenst regt sich erneut.’ VDI Nachrichten 03/ 03/ 1989, Nr. 9; ‘Gespenst Inflation.’ Focus 20/ 09/ 1993, Nr. 38; ‘Nach Schweden zieht auch Finnland die Geldpolitik an. Gegen das Gespenst der Inflation.’ Handelsblatt, 13/ 02/ 1995, p. 21; ‘Gespensterjagd.’ Frankfurter Rundschau, 29/ 07/ 1988.
- <sup>28</sup> ‘Das Gespenst.’ Ost-West-Kurier, 05/ 01/ 1960, Nr. 5.
- <sup>29</sup> Such notions have been used since the very beginning. See, for example, Karl Blessing. ‘Eine “Dritte Inflation” ist nicht zu befürchten.’ Frankfurter Allgemeine Zeitung, 07/ 04/ 1965, p. 13.
- <sup>30</sup> Hans Tietmeyer. ‘*Bemerkungen zur Einführung der neuen 20-DM-Banknote.*’ Speech delivered by the Vice-President of the Deutsche Bundesbank, Rathaus der Stadt Münster, 30/ 03/ 1992.
- <sup>31</sup> ‘Ohne Opfer gibt es keine gesunde Währung.’ Frankfurter Allgemeine Zeitung, 13/ 03/ 1970.
- <sup>32</sup> Karl Otto Pöhl. ‘Es gibt keine heimliche Wunderwaffe.’ By the President of the Deutsche Bundesbank, Frankfurter Allgemeine Zeitung, 23/ 01/ 1981.
- <sup>33</sup> Horst Knapp, ‘Im “Tal der Tränen”’ Finanznachrichten-Wochenschrift für Wirtschaftspolitik 26/ 06/ 1991, Nr. 26/27.
- <sup>34</sup> ‘Italien vor dem Ende einer langen Durststrecke.’ Neue Zürcher Zeitung, 05/ 08/ 1997.
- <sup>35</sup> Winfried Reimann. ‘Geldpolitik muss weh tun.’ Börsen-Zeitung, 22/ 04/ 1989.
- <sup>36</sup> Hans Tietmeyer. ‘*Europe in the World Economy.*’ Speech delivered by the Vice-President of the Deutsche Bundesbank at the University of Toronto, 28/ 04/ 1992, p. 21.
- <sup>37</sup> Hans Hutter. ‘Issings Credo trotz Fragezeichen.’ VWD- Finanz- und Wirtschafts-Spiegel, 22/ 06/ 1998.
- <sup>38</sup> Peter Glotz. ‘John Wayne der D-Mark.’ Die Woche, 01/ 09/ 1995.
- <sup>39</sup> It is however necessary to discuss to what extent the metaphor of imprimatur may have turned into a dead metaphor which has simply been incorporated into everyday’s speech. See in C. Gordon Thether. ‘Victims of the ‘irresistible.’ Financial Times, 12/ 05/ 1976.
- <sup>40</sup> ‘E Hans lanciò la scomunica in nome dell’ Euro.’ Corriere della Sera, 30/ 05/ 1997.
- <sup>41</sup> ‘The new generation of European central bankers,’ Euromoney 1993, June.
- <sup>42</sup> Fritz Kral. ‘Die Bundesbank setzt sich ein Denkmal.’ Handelsblatt, 13/ 11/ 1997, p. 48.
- <sup>43</sup> Michael Balk. ‘Euro beendet Bundesbank Ära.’ Wiesbadener Kurier, 29/ 07/ 1997.
- <sup>44</sup> ‘Die Wacht am Main.’ Capital 1972, October, p. 153.

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<sup>45</sup> See David Marsh, Peter Norman, Quentin Peel and Chris Parkes ‘Tietmeyer: high-priest of hard money doctrine.’ Financial Times, 01/ 10/ 1993; Matthias Lambrecht. ‘Hohepriester der Mark.’ Die Woche, 12/ 12/ 1996; Lucas Delattre. ‘Hans Tietmeyer, le grand pretre du deutschemark.’ Le Monde, 21/ 03/ 1995. However, the association of the idea of president of the Bundesbank as high-priest is old. See in James Poole and Antony Terry. ‘The Banker’s Banker Heads for the Top.’ The Sunday Times, 13/ 03/ 1977.

<sup>46</sup> For example, while referring to Schlesinger as a successor of Pöhl, he also uses the expression ‘Zwischenpapst’ between Pohl and Tietmeyer (p. 2). See in Gerbert van Lönen und Kees de Vré. ‘*Helmut Schlesinger hat nur drei Feinde: Inflation, Inflation und noch mal Inflation*’, Trouw, 05/ 11/ 1992, translated from the Dutch.

<sup>47</sup> ‘Tatort Diebesgrund.’ Forbes, 1/ 1993, p. 73.

<sup>48</sup> Peter Glotz. ‘Der Kardinal des Geldes.’ Die Woche, 03/ 04/ 1998.

<sup>49</sup> Nina Grunenberg. ‘Prediger der harten Mark.’ Die Zeit, 24/ 01/ 1997.

<sup>50</sup> Jan Fleischhauer. ‘Der Erzbischof aus Frankfurt.’ Der Spiegel 1997, Nr. 23.

<sup>51</sup> Craig R. Whitney. ‘Blaming the Bundesbank.’ New York Times, 17/ 10/ 1993.

<sup>52</sup> See for example Nina Grunenberg. ‘Prediger der harten Mark.’ Die Zeit, 24/ 01/ 1997, Nr. 5; Klaus Dieter Öhler. ‘Der Prediger der Stabilität.’ Die Rheinfalz, 17/ 08/ 1996; Hans Dieter Schön. ‘Inflation wird wieder Trumpf’. Bayernkurier, 22/ 01/ 1977.

<sup>53</sup> Jan Fleischhauer. ‘Der Erzbischof aus Frankfurt.’ Der Spiegel 1997, Nr. 23.

<sup>54</sup> Jürgen Stark. ‘*Die Auswirkungen des Euro auf die wirtschaftliche Entwicklung in Europa und in der Welt.*’ Speech delivered by the Vice-President of the Deutsche Bundesbank, Fachkongress der Steuerberaterkammer, Stuttgart, 09/ 10/ 1999.

<sup>55</sup> Nina Grunenberg. ‘Prediger der harten Mark.’ Die Zeit, 24/ 01/ 1997, Nr. 5.

<sup>56</sup> David Marsh, Peter Norman, Quentin Peel and Chris Parkes. ‘Tietmeyer: high-priest of hard money doctrine.’ Financial Times, 01/ 10/ 1993.

<sup>57</sup> Jan Fleischhauer. ‘Der Erzbischof aus Frankfurt.’ Der Spiegel 1997, Nr. 23.

<sup>58</sup> The maxim is placed in the article by Peter Gilles. ‘Kommt Zeit, kommt Mark.’ Forum, 09/ 03/ 1990, Nr. 3.

<sup>59</sup> Then, Tietmeyer jokes: ‘If you then also think that the ECB resides in such holy halls, I will leave it to you’. See in Hans Tietmeyer. ‘*Der Euro: ein entnationalisiertes Geld*’ Speech delivered by the President of the Deutsche Bundesbank, Österreichisch-Deutschen Kulturgesellschaft, Wien, 27/ 11/ 1997, p. 11.

<sup>60</sup> John Eisenhammer. ‘The mark’s new minder.’ The Independent, 03/ 10/ 1993.

<sup>61</sup> An article in death of Otmar Emminger. Rudolf Herlt, 08/ 08/ 1986.

<sup>62</sup> Wilhelm Seuss. ‘Ein Streiter für die Stabilität.’ Frankfurter Allgemeine Zeitung, 05/ 08/ 1986.

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- <sup>63</sup> 'In memoriam Otmar Emminger.' Börsen-Zeitung, 05/ 08/ 1986.
- <sup>64</sup> David Marsh. 'Two true believers with tight money as their goal.' Financial Times, 19/ 05/ 1991.
- <sup>65</sup> Kevin Mühling. 'Tietmeyer makes his point.' Institutional Investor, October 1993, p. 44.
- <sup>66</sup> David Marsh. 'Two true believers with tight money as their goal.' Financial Times, 19/ 05/ 1991.
- <sup>67</sup> David Marsh. 'Two true believers with tight money as their goal.' Financial Times, 19/ 05/ 1991.
- <sup>68</sup> 'Mahner in der Wüste.' Handelsblatt, 22/ 04/ 1974.
- <sup>69</sup> Burkhard Salchow. 'Klassen – ein einsamer Hüter der Währung.' Nürnberger Zeitung – Frankischer Kurier, 20/ 04/ 1974.
- <sup>70</sup> The idea of a providential prophet crosses the following passage addressing the profile of Wilhelm Voocke, first President of the Bank Deutscher Länder, forerunner of the Bundesbank. See in Bernd Bähring. 'Das Panorama deutscher Währungspolitik.' Börsen-Zeitung, 10/ 06/ 1988.
- <sup>71</sup> Allan Samuelson. 'The hawks come home to roost.' The Banker, October 1992., p. 14.
- <sup>72</sup> Otmar Issing. '*Geldpolitik im Spannungsfeld von Politik und Wissenschaft*.' Speech delivered by the Member of the Direktorium of the Deutsche Bundesbank at the Scientific Colloquium in occasion of the 65<sup>th</sup> Birthday of Prof. Dr. Dr. h.c. Norbert Kloten, Stuttgart, 15/ 03/ 1991, pp. 7-8.
- <sup>73</sup> Paul A. Volcker. 'Central Banks: Independent, Accountable, Linked.' International Herald Tribune, 04/ 01/ 1994.
- <sup>74</sup> See Ernst Willenbrock. 'Ein Gralhüter zeigt Schwächen.' Deutsches Allgemeines Sonntagsblatt, 27/ 08/ 1972; Burkhard Salchow. 'Bewunderter Gralhüter der Deutschen Mark.' Frankfurter Neue Presse, 17/ 05/ 1991; Craig R. Whitney. 'Bundesbank Guards Ist Holy Grail.' International Herald Tribune, 09/ 10/ 1992.
- <sup>75</sup> Andrea Tarquini. 'Tutto chiesa e marco.' La Repubblica, 02/ 07/ 1993.
- <sup>76</sup> 'Sua maestà Bundesbank non molla la presa.' Corriere della Sera, 18/ 09/ 1992; Georges Valence, 'Le Kaiser Karl Otto.' L' Express, 28/ 12/ 1990.
- <sup>77</sup> Peter Glotz. 'John Wayne der D-Mark.' Die Woche, 01/ 09/ 1995. One should not be surprised by the rather secular title and the references in the content of the article to the Holy Grail. The image of John Wayne is called in particular to capture the courage of Hans Tietmeyer in the face of the terrorist attack by the RAF that failed to kill him in 1988 and by the definition by Claus Noé of Tietmeyer as a 'Cold War fighter of neo-classical economics.' See also Nina Grunenberg. 'Prediger der harten Mark.' Die Zeit, 24/ 01/ 1997.
- <sup>78</sup> Thomas Hanke and Udo Perina. 'Krach auf dem Olymp.' Die Zeit, 07/ 02/ 1992.

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