Foreword

For a long time, the effects of religion on economic development have attracted the attention of scholars who identified religion as a driving force for the provision of public goods, economic growth and the persistence of social capital in advanced, emerging and developing economies. While religious diversity often facilitates conflict and majority repression of minorities, it has also been historically linked to long-run economic performance. Beyond the Weberian logic that treats Protestantism as the normative core of capitalism and religion as the institutional instrument of an administrative state, there has been an increasing demand for comparative evidence regarding the influence of world religions on political regimes, preferences for public goods provision and bureaucratic rent-seeking. The diverse influence of Islam, Protestantism, Judaism and Eastern Orthodoxy on economic organization and political development offer a refined and therefore necessary approach to our understanding of religious norms as parameters of economic transformation and political change.

Theocharis Grigoriadis’s monograph constitutes an excellent contribution to this area of scientific inquiry through the lenses of diversity, historical ancestry, religious affiliation and contemporary religiosity. Drawing from Acemoglu and Robinson, he models the effects of Judaism and Eastern Orthodoxy on the emergence and resilience of political regimes. He explains why Jewish norms of socio-economic organization are in line with democratic institutions, whereas the respective Eastern Orthodox norms are more inclined toward dictatorship. Based on these different norms that are drawn from the organization and structure of the kibbutz and the monastery, Grigoriadis analyses the economic development in Russia and Israel and argues that Eastern Orthodoxy is one of the roots of Russia’s democratic underdevelopment, which is not the case for Judaism and Israel. On the one hand, it allows Grigoriadis to extend the Weberian logic toward the East, while at the same time to provide his own theory on the relationship between religion and public goods that is supported on both empirical and experimental grounds.

In the framework of his project, Grigoriadis travelled and collected data extensively in many Russian regions: Lipetsk, Krasnodar, Sochi, Tomsk and Novosibirsk. He conducted an extensive fieldwork in Israel to
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acquaint himself with on-site realities both in the Jewish and the Arab areas of the country. His knowledge, expertise and diverse set of skills allowed him to establish a linkage between religious identity and the provision of local public goods. His lab-in-the-field experiment conducted jointly with Siberian colleagues from Tomsk and Novosibirsk shows that Eastern Orthodoxy can be modelled as a set of administrative rules that shape the willingness of bureaucrats to restrain their rent-seeking agenda to advance collective welfare. Grigoriadis observes that hierarchical punishment as a key Orthodox norm facilitates the provision of threshold public goods but not obedience. In my view, this monograph not only expands the set of tools that one may use to understand religion as a socio-economic phenomenon, but also offers clever modelling suggestions in that direction.

Grigoriadis’s work combines rigorous formal analysis with quantitative data and experimental evidence, while providing a uniquely interdisciplinary venue for economics, political science and sociology. It is a highly significant and insightful book that will attract considerable attention and trigger discussions in academic and policy circles.

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