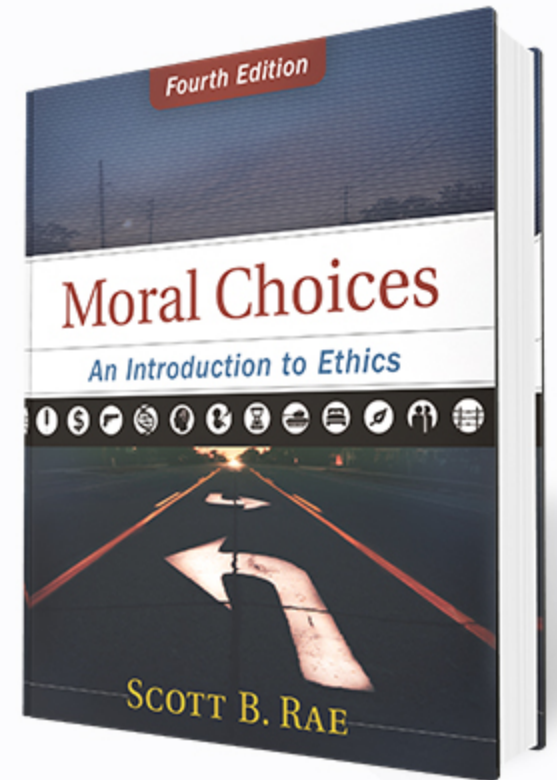


Chapter 13: Ethics and Economics



Introduction

- There is a widespread perception in the general public that the business community has lost its moral compass and that greed is the overriding principle governing how business is done.
- The intersection of ethics and economics, particularly in an increasingly global economy, raises substantial issues that are current in public discussion.

The Bible, Wealth, and Possessions

- The Bible has a great deal to say about money and wealth.
- We must use the Bible carefully when applying its general principles of economic life to current times.
- A direct application of many biblical commands relating to economic life would be impossible today because the system to which those commands were addressed has dramatically changed.

- The pursuit of wealth in the ancient world was fraught with potential problems, which made it easy to view those who possessed wealth with moral and spiritual skepticism.
- The rich became richer at the expense of the poor, and when someone was wealthy, more often than not, they had acquired it through some immoral means.
- This is what is known as a *zero sum economy*.
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- At first glance the Bible appears to condemn the accumulation of wealth.
- There are a considerable number of verses that regard wealth as God's blessing to be enjoyed.
- The Bible is more concerned with one's attitude towards wealth rather than the amount of wealth one has.
- Being wealthy is not problematic, but hoarding one's wealth when surrounded by poverty is a sign of selfishness and greed.

- The Bible not only has much to say about money and possessions, but it also addresses the subject of work in detail.
 - Work has intrinsic value
 - because of its connection to the dominion mandate to rule over and cultivate creation.
 - because God is a worker and human beings are workers in virtue of being created in his image.

Theological Principles

- Theological principles can be drawn from Scripture that relate to macroeconomics.
 - Though tarnished by sin, the created world is intrinsically good because it is God's creation.
 - God is the ultimate owner of all the world's productive resources.
 - Human beings are stewards of these resources.
 - Responsible wealth creation is part of the dominion mandate.
 - Human beings are created with freedom and a need for community, making them more than autonomous economic agents.

- Theological principles can be drawn from Scripture that relate to macroeconomics.
 - Work is inherently good, though marred by sin.
 - Human beings who are able to work are responsible to work and provide for their own.
 - The community is responsible for taking care of the poor.
 - Human beings are not to exploit the economically vulnerable.
 - Economic justice is the provision of access to the productive resources necessary for self-support.
 - Distributive justice in the Bible is based on a combination of merit and need.

Pushing back on Rae

- Many early church fathers did not have nice things to say about the rich (Basil, Chrysostom, Augustine, others).
 - You would likely accuse them of “marxism” if you read some of what they had to say!
- Liberation Theology, especially of the Latin American variety, has rightly pointed out how western Christians in wealthy nations spend a vast majority of their theology on money *defending wealth*.
 - We tend to downplay the overwhelming amount of warnings to the rich (cf. Lk. 6:20-26; James 5:1-6)
 - We tend to overemphasize the few passages where poverty is the result of poor choices. Ignoring that the majority of scripture considers poverty to be the result of injustice or misfortune.
 - The fact is our exegesis of the Bible on poverty and wealth is influenced by our relative wealth.
- Criticisms of Liberation Theology tend to read North American concerns about communism into it, knowing nothing about the contextual issues in many parts of Latin America from which LT was birthed.

Some notes on Liberation Theology

- It is not monolithic but stresses that one's social location influences how we read the Bible and do theology. Rejecting the assumed objectivity of so much European and North American Theology.
- Broadly speaking, it focuses on the liberation of the poor and oppressed people groups. It is a global phenomenon taking on different flavors in various contexts. Its a theology from their point of view.
- In the 1970s and 1980s, Latin American theologians did utilize Marxist tools *but* it would be a misreading to characterize the movement as a whole as marxist.
 - Many priests were assassinated in broad daylight for speaking out against social injustices on behalf of the poor.
 - Oscar Romero killed (canonized Saint in 2018) in 1980 during mass likely by an US backed politician's death squad.
- The African-American variety developed independently and *prior to* Karl Marx himself.
- Interestingly, the last two popes have been on opposing sides of it but these may reflect different versions of it.

Jesus on Poverty and Wealth

- Some associated wealth with God's blessing (Pharisees, Mark 10:26).
- Some advocated political revolution to deliver Israel from Roman occupation (Zealots, Peter?)
- Some rejected wealth altogether and practiced communal living (Essenes, John the Baptist?)
- Jesus himself and his teachings rejects these categories.
- **But we should ask whether we have listened to the hard teachings he had on money (esp. Luke):**
 - “Its harder for a rich man to enter the kingdom of heaven...” (Mk. 10:25)
 - Is our “stewardship” really for kingdom purposes or is it for the purposes of hoarding? (Rich Fool, Lk. 12:13-21)
- Best short verse on money in scripture, Proverbs 30:7-9

Proverbs 30:7–9 (NIV)

“Two things I ask of you, Lord; do not refuse me before I die:

Keep falsehood and lies far from me; give me neither poverty nor riches, but give me only my daily bread.

Otherwise, I may have too much and disown you and say, ‘Who is the Lord?’ Or I may become poor and steal, and so dishonor the name of my God.

On Greed

- No one thinks they are greedy and the hardest of all the classic “deadly sins” to see because we always think someone has more than us.
- Greed is not about what you have, its about what you want (cf. Lk 12; Parable of the Rich Fool)
- Its caring too much about money and possessions, always thinking if you could just have a little bit more.
- The biggest problem ethically, is when Christians process economics through pure market based reasoning, and ignore impact on real people (*The Big Short*).
 - That is Greed, to see people in view of their usefulness or sheer monetary worth.
 - Greed covers both frivolousness and miserliness. Its a sin of self-indulgence.
 - Jesus was betrayed for a bag of money.
- We must make Christ our treasure and learn to value the intrinsic worth of things and account for things that cannot be monetized. Cultivate generosity, contentment, moderation, simplicity, accountability.

Global Capitalism

- The debate over the morality of market capitalism is a longstanding one.
- The most common criticism of capitalism is that it is based on greed.
 - Defenders of capitalism respond to this charge by distinguishing between greed and self-interest.
 - They agree that greed is a vice, but that is different from companies and individuals pursuing their self-interest.

- A second criticism of global capitalism is that it causes poverty by leading to an unequal concentration of wealth and resources.
 - Defenders of globalization insist that there is a different cause-and-effect relationship between market capitalism and poverty: that the introduction of capitalism actually raises people out of poverty rather than causing it.

Ethics in the Workplace

- How a person conducts himself or herself in the workplace when confronted with ethical challenges.
 - Dual Morality
 - Not an option for a Christian.
 - Believers should live by a consistent set of moral principles.
 - One is a Christian at work and outside of work.

- Many in the business community assume that having integrity in the workplace is not good business. From a Christian worldview perspective, good ethics is always good business.
- From God's perspective, good business is much more than the company's bottom line.
- It includes how one does business. In the short term, good ethics is usually costly. But in the long run, integrity usually pays off.

- Although business is always changing, there are a variety of issues in business ethics that have remained constant for some time.
 - It is commonly assumed that a company's only social responsibility is to increase the wealth of its shareholders.
 - By contrast, it has been argued that a company has a variety of stakeholders, or affected parties, to whom companies have social obligations.

- A second issue in business ethics is the dilemma of how to handle problems resulting from different moral standards in different countries.
- This raises the issue of relativism, which is a flawed view of ethics that is not much help in conducting business ethically.
- At the very least, it is required that fundamental human rights be protected, fair competition be encouraged, and employees be protected from harm.

- Other common ethical business issues that Christians need to be aware of include ethics in human management, environmental ethics, product safety, and ethics in accounting and finance, all of which remain constant areas of ethical concern despite the changing nature of business.

Other Topics in the Future

- Rae's introductory text book *Moral Choices* also covers:
 - Biotechnology, Genetics, and Human Cloning
 - Capital Punishment
 - Sexual Ethics
 - Creation Care and Environmental Ethics
 - Violence and Gun Control
 - Race, Gender, and Diversity
 - Immigration, Refugees, and Border Control

Case 13.1: Bribery, or the Cost of Doing Business?

You are starting a new business in a suburb of Jakarta, Indonesia, located next to a major university. It's a coffee house with Wi-Fi, a place for students to study, relax, and congregate. You have secured the location, signed the lease for the building, and are ready to begin remodeling the site. You will need your utilities, such as electricity, water, internet connection, and gas, before you can officially begin renovating the location. When you approach the technicians to have them initiate these services, they inform you that if you want to have them turned on in a timely way, an additional "service charge" of \$1,000/utility is required. When you offer to pay it by making out a check to the utility company, the technician informs you that it is a "cash only" transaction. You are reasonably certain that the respective technician will pocket the cash in exchange for giving you the service in a timely way. If you refuse to pay, he informs you that you could wait anywhere from six to nine months for these services to be started. You realize that would be very harmful to your business to delay its opening for so long. It feels like you are being asked to pay a bribe, and you know that it is illegal for US companies to pay bribes to officials in other countries. You have reservations but are told by reliable sources that this is a customary way of doing business in Indonesia and that you really have no choice but to pay the people involved.

Questions for Discussion

1. What decision will you make—to pay what is demanded, or refuse? Be sure to spell out the reasons for your decision thoroughly.
2. How does the Bible's teaching on bribery impact your thinking on this decision?
3. Imagine that the situation was a bit different, that you were leading a mission trip for your church. You and a group of twenty adults and high school students are attempting to get audio equipment into the country to facilitate translation of the "Jesus film" into several languages in that country. You are held up by a customs official who demands a payment of \$500 cash to let the equipment through customs. Would you be morally justified in making this payment? Why or why not?

Case 13.2: International Business and Product Safety

Your company makes glue for manufacturing and repairing shoes. The company exports the glue all over the world, and it is used in large factories where shoes are

made and in small family-owned shoe repair shops. In addition to its legal use with shoes, it can also be sniffed to get a very inexpensive “high.” This can become an addiction and seriously harm whoever sniffs it. Those who sniff glue regularly are at risk for brain damage. For this reason, in some countries, including the United States, the law requires an additive in the glue that acts as a very powerful deterrent to glue sniffing but does not otherwise affect the product in its intended use. This additive adds to the cost of producing the glue such that it would differentiate you from your competitors in terms of price. In many countries where you sell the glue, such as in Latin America, there is no law requiring the additive. You have been selling the glue in these countries for some time and now learn that street kids are using it to get high.

Questions for Discussion

1. Do you continue to market the glue in these countries where the law does not require an additive? Why or why not?
2. If you continue to sell the glue, do you put in the additive, even though it will put you at a price disadvantage? Why or why not?
3. How do you assess the argument that “it’s not our problem that street kids are using it—that’s the government’s problem”?
4. How do you respond to the argument that many products can be misused—so why be alarmed about misuse of the glue?

Case 13.3: Calling and Vocation

You are a business major at your local university, and one of your best friends has recently graduated from the same university and started attending seminary classes. You both volunteer working with high school students at your church. Your friend is convinced he's called to be a pastor and envisions himself pursuing his career in pastoral ministry. On several occasions, he's tried to talk you into joining him in seminary and taking up the same professional vocation into which he's moving. However, you have desires that are taking you in a different direction, but you wonder about the value of what you are considering doing.

In one of your most recent discussions with your friend, he makes it clear that he considers what he's pursuing in the pastorate to be a higher calling than what you are going to be doing in your job in business. He claims that he's investing in eternity with the high school students he's serving, and though he never comes right out and says it, you sense that he thinks you are committed to "just making money." He concedes that your business might be doing good for the community.

but he maintains that you could maximize your investment in eternity if you were to work full time in the church. He acknowledges that churches and nonprofits don't generate revenue but collect it (and that someone has to generate it). In fact, he views himself as being on the "frontline" of serving God, and he considers business folks like you to be the "supply line" that provides the funding and resources for what really matters to God. He also admits that you will be around men and women in the workplace who will likely never come to any church, thus giving you a platform as a faithful witness that he will not have. But you can't shake the sense that you would be doing something less than what your friend is doing when it comes to your respective contributions to God's kingdom. He claims that God is calling him to pastoral ministry, and you wonder if God calls people like you to business in a similar way.

Questions for Discussion

1. Can God call someone into a business career? If so, is it for *instrumental* reasons like generating revenue and a platform for witnessing? Or does God call people to business for its *intrinsic* value? If so, what constitutes the intrinsic value of one's work?
2. How does your theology of work and vocation inform your answer to question 1?
3. Do you agree that your friend who is going to seminary and going to be a pastor is doing something better for God's kingdom than you are doing in business? Why or why not? Explain your view.

Case 13.4: Market Bashing or Prophetic Critique?

Some time ago, popular speaker Tony Campolo issued a scathing critique of market-based capitalism. He was speaking on a Christian college campus at the time, and his criticism was a distinctly Christian appraisal of the US economic system.

He stated, “You know, we’re big on capitalism in Christian colleges, in spite of the fact that it’s an anti-Christian value system. I’m saying that in capitalism, the motive for production is what? Profit! Don’t we talk about the profit motive, those of you who are business majors? Let me tell you this, the Christian is never motivated by profit! He’s motivated by love, to meet needs. And the American economy is an economic system that makes a lot of profit by producing stuff that nobody needs. Is that not a fair evaluation of our economy?”

“We need people who believe in free enterprise. I do believe in free enterprise. I believe that people should be allowed to start businesses without government

interference. But what I am saying is that the profit motive is not what I’m about, and it shouldn’t be what you are about. You have to make a profit to stay in business. It’s just that profit is a means to an end; it’s not the end. Ministry is the end. Ministry is the end of everything.

“Those of you who are business majors, why don’t you get out of your ‘ticky-tack’ world and do some missionary work? We’re aligned with an organization called Maranatha Trust and Opportunities International that in the nation of Guatemala, 1 percent of all the jobs that exist in that nation were created by missionaries that we have sent out in these organizations. We’re creating over ten thousand new jobs a month in the developing world. Is this good news for the poor and oppressed? Is the hope of delivering people from poverty, with their dignity intact, what the gospel is all about?”¹⁷

Questions for Discussion

1. How do you respond to Campolo's critique of the US economic system? Where do you agree with him? At what points do you disagree? Explain your reasons for both your points of agreement and disagreement with him.
2. What do you think of his view of profit? Explain your reasons clearly.
3. What do you think of his advice to business majors (and presumably business men and women) to get out of their "ticky-tack" worlds and do some missionary work? Explain why you think the way you do on this point.