

The Bible and Economics

1. Introduction

Clinton “the Economy stupid” 1992

Something is wrong with the economy

The banking collapse

Bankers bonuses

“Beer and Loathing in the Square Mile”

Unease about big business – multinational companies

Aim today – an impossibly large task.

Series so far

1. Call to be concerned about the world
2. Vision for action which respects others – principled pluralism
3. God’s concern for the environment

Today: expose an idol – another god.

Another god which is worshipped by large sections of our society – indeed it is perhaps the dominant god of our age.

This god was given a name by Jesus – Mammon

Don’t want to imply that money and our modern capitalist economy is all bad

Like the scene in Monty Python’s Life of Brian – “what have the Romans ever done for us?”

All right... all right... but apart from better sanitation and medicine and education and irrigation and public health and roads and a freshwater system and baths and public order... what have the Romans done for us?

Capitalism has brought with it innumerable good things.

But in the first century there was something to resist in the Roman Empire

It tended to deify itself

Emperors didn’t just require obedience – they demanded worship.

Though Christians rejoiced in many of the good things that Rome had brought to the world they would not worship the emperor.

Similarly capitalism is a great system – brought many good things.

But there is a tendency to make it into an idol – I want to try to dethrone that idol in your hearts.

Start with apologies:

First apology: I am not an economist

But have reflected on the Bible

does not give detailed advice about economics

BUT it makes some very important statements about money.

So I am not going to talk about the details of economics –

You will be relieved,... I am not qualified to do so.

I am going to talk about some of the big assumptions underlying much modern economics.

Second apology: some of you may fall asleep

We are a very varied group –

some of you need to hear what the bible says about big underlying issues.

Some of you are practical people – what can I do.

I will wake you up!

2. Myths of Capitalism

The myth of inevitable progress

Goudzwaard – Capitalism and Progress

“the decisive role of faith in human progress in the unfolding of modern capitalist society”

Christianity invented “progress”

Classical era – the world is static or cyclic

Christianity said heading towards a destination – the return of Christ.

Positive things would happen in the period –

“you will be my witnesses in Jerusalem and Judea and Samaria and to the ends of the earth” Acts 1:8

But post-Christian thought idolised “progress”

Christianity had always moderated its hopes of progress with a sober assessment of mankind’s sin.

2 Timothy 3:1–4

But mark this: There will be terrible times in the last days. ² People will be lovers of themselves, lovers of money, boastful, proud, abusive, disobedient to their parents, ungrateful, unholy, ³ without love, unforgiving, slanderous, without self-control, brutal, not lovers of the good, ⁴ treacherous, rash, conceited, lovers of pleasure rather than lovers of God.

Enlightenment thinkers thought that “progress” was simply inevitable

True of both free market capitalists and socialists – esp communists.

Communists – the inevitable victory of the proletariat resulting in equality for all.

For Marx revolution was “easing the birth pangs” of this inevitable development of society.

Free market capitalism – Adam Smith *The Wealth of Nations* – unfettered markets, allowing everyone simply to pursue their own self-interest – would lead inevitably to progress.

Both those views in their pure form discredited

Communism failed dramatically – 1989

Some commentators suggest that the liberalisation of banking in 1990s was due in part to the collapse of communism –

Adam Smith had vanquished Karl Marx

All restrictions on markets must be lifted – disaster.

- Progress is not inevitable – nations rise and nations fall – according to their moral character.
Isaiah 45:7 (NIV - Anglicised)
⁷ I form the light and create darkness, I bring prosperity and create disaster; I, the Lord, do all these things.
- Progress of capitalism – due to the underlying moral calibre of British society – the Christians.

The myth of endless growth

All capitalist economies built around the ideal of constant expansion

But many raw materials are non-renewable.

Results: Environmental destruction

Woe to you who add house to house till there is no room left in the land – Isa 5:8

- Solution: zero growth economy? At least sustainable growth
- Live modestly

The myth of the invisible hand

Adam Smith *The Wealth of Nations*

The rich are led “by an invisible hand to make nearly the same distribution of the necessaries of life, which would have been made had the earth been divided into equal portions among all its inhabitants; and thus without intending, without knowing it, they advance the interests of society.”

Naively optimistic

In Margaret Thatcher’s day called “trickle down”

Gap between rich and poor now larger than 40 years ago.

Continual lust for more – Eph 4:19

Ecclesiastes 5:10

¹⁰ Whoever loves money never has money enough; whoever loves wealth is never satisfied with his income.

- Solution:
 - policies which limit the power of the rich and
 - particularly which care for the basic needs of the poor.
- Prompting consciences because we are different.

The myth of the “fruitfulness” of money itself

Vince Cable – “casino banking”

Financial wizardry which yielded disproportionate returns.

Money only “grows” because it enables the creation of new products.

Donald Hay – no time when the real rate of growth has been more than 3%.

- At the very least “casino banking” must be controlled, and separated from ordinary day to day banking.

The Bible even more radical.

Forbad the charging of interest to fellow Israelites

Exodus 22:25 “If you lend money to one of my people among you who is needy, do not be like a money-lender; charge him no interest.

Deu 23:20 – does allow interest to be charged to foreigners.

Perhaps because they could run away and default on their debts

Perhaps because the rest of the world worked on the basis of interest – so in an interest-based economy it was acceptable, but not the ideal for God’s people.

In the parable of the talents – Matthew 25

Interest described as “reaping where you do not sow”

For the first 1500 years the church forbad interest.

The justification was that money itself is not “fruitful”

You could make money by investing in something which yielded real “fruit”

But you couldn’t demand a return on your money irrespective of how it was used.

John Calvin 16th century first allowed interest to be charged on money.

But even he handled interest “as an apothecary handles poison”

Many say that charging interest – allowed all the growth and development that we see today.

Not all economists agree

The promise of guaranteed interest rates has made us reckless in lending money. Led to overheated growth – and collapse.

Lending money at interest to poor nations impoverished them – Jubilee 2000.

- Whatever you think on charging interest “money does not grow on trees”
- Investment in businesses is fundamentally a good thing – parable of the talents – therefore much of the City of London a good thing.
- Running down basic production is dangerous
 - Farming food production
 - Industry -

The myths of Mammon

“My worth lies in my wealth!”

Luke 12:15

¹⁵ Then he said to them, “Watch out! Be on your guard against all kinds of greed; a man’s life does not consist in the abundance of his possessions.”

- When you are old what will you be most proud of in your life?
 - It will not be your wage packet

“My happiness lies in my wealth”

Proverbs 30:8–9

⁸...give me neither poverty nor riches,
but give me only my daily bread.

⁹ Otherwise, I may have too much and disown you
and say, ‘Who is the Lord?’
Or I may become poor and steal,
and so dishonour the name of my God.

Poverty is an evil

A certain kind of misery associated with wealth

Pride etc.

Lack of evidence for wealth leading to happiness

- Tim’s friend who went to Africa – all the children happy!
 - Unhappiness deep in our culture – wealthiest yet one of the unhappiest!

“My freedom lies in my wealth”

Wealth buys certain freedoms

But Jesus spoke of

The deceitfulness of wealth -

1 Timothy 6:9

⁹ People who want to get rich fall into temptation and a trap and into many foolish and harmful desires that plunge men into ruin and destruction.

The love of money imprisons us

- Questions to ask the political parties:
 - What policies for sustainable economic growth?
 - The present levels of national debt likely to drive politicians towards aggressive policies for economic growth
 - How will they help the poor?

3. Me and my Money – Luke 16:9-15

My money will never be pure – v9

Lit: unrighteous Mammon

- But that is not to say that we should not try to minimise the “unrighteousness” of our money
 - Your money is being used by others for your pension plan – ethical investments.
 - The bank you choose

My money will fail – v9

“when it is gone”

- If not a Christian v important.
 - The man who stored up treasures – “you fool this night your life will be demanded of you”

My money is not my real wealth – v 10-11

“True riches” – all the glorious things God gives us

“riches of his kindness, tolerance and patience” – Rom 2:4

“the riches of his glory” – Rom 9:23

“the riches of God’s grace” Eph 1:7

“the riches of his glorious inheritance in the saints” – Eph 1:18

“the unsearchable riches of Christ” – Eph 3:8

“his glorious riches in Christ Jesus” Phil 4:19

“the full riches of complete understanding” Col 2:2

- If we are not trustworthy with mere money we will not gain true riches. V10

My money is about relationships – v9

“to gain friends for yourselves”

- Invest in evangelism
- Invest in other people
 - Biblically to help the poorHe must work, doing something useful with his own hands, that he may have something to share with those in need. Eph 4:28

My money easily becomes my master – v13

- Attitudes to who to elect
- Attitudes to career, job choice – will you love God and trust him for money?

The love of money has its root in pride and vain-glory – vv14-15

For the Pharisees money meant reputation, influence, glory – self assertion.

“God knows our hearts”