

Chapter 9b – Economics: The Rich & Poor, Business

Should it be the rule of government to “take from the rich and give to the poor”? Should government try to equalize the amount of income that people have, or possessions, or at least take actions that move in the direction of equality?

E. Government and the rich and the poor

1. Government and the rich

a. Biblical teaching

(1) Property in general belongs to individuals, not to government

Exod. 20:15 “you shall not steal”

Lev. 25:10: “It shall be a Jubilee for you, when each of you shall return to his property . . .”

Punishments for stealing someone else’s property: Exod. 21:28-36; 22:1-15; Deut. 22:1-4; 23:24-25)

People bought and sold land: Abraham, etc.

(2) The Bible does not teach that governments should take money from wealthy people *simply because they are wealthy*.

- The emphasis if the Bible is on treating both rich and poor *fairly and justly*.

“You shall not pervert the justice *due to your poor* in his lawsuit” (Ex. 23:6).

“Nor shall you be partial *to a poor man* in his lawsuit” (Ex. 23:3).

To impose a fine on a *righteous man* is not good, nor to strike the noble for their uprightness (Prov 17:26).

Government is “to punish those who do evil and to praise those who do good” (1 Pet. 2:14).

b. But: does wealth indicate immoral conduct?

- Wealth or poverty do not by themselves accurately indicate the morality of a person’s conduct in society.

- Those who *break the law* should of course be punished by the government, whether rich or poor or in between.

- Many have become wealthy by providing products/services people want at a good price and with reliable quality.

Examples:

- *Conclusion*: We should not immediately assume that “the rich” are evil.

c. Question: Is it appropriate to take money from the rich *just because* “they can afford it”?

What if you found \$2 in Bill Gates’ house?

“You shall not steal” (Exod. 20:15).

2. Government and economic equality

a. Responsibilities of government

- Some government-supported welfare programs *to help cases of urgent need*

- Sufficient funding so that everyone is able *to gain enough skills and education to earn a living*

- With regard to some basic necessities of life it is right for gov’t to tax (“take from everybody”) & give to the poor.

▶ Gov’t is to “promote the general welfare”, which includes enabling citizens to live adequately in the society.

▶ This is not based on a vague instinct that it would be “more just” to reduce differences between rich & poor.

- No justification in Scripture for gov’t, as a matter of policy, to take from the rich and give to the poor

- When gov’t attempts to do so, significant harm is done to the economy and to the society

- *If people are free from government intervention*, there will be a wide variety of economic strata

- Gov’t can only eliminate economic inequality by *continually* redistributing money, taking from those who have

been most frugal and productive & giving to those who had been least productive or had simply wasted money.

- Equality of possessions cannot be maintained apart from *penalizing good habits* and *rewarding bad habits*.

b. Results of government-imposed income equality

- Severe restrictions on human freedom,

- Trapping most of the nation in the “equality” of poverty.

- Even if equal in *economic possessions*, people will still be unequal in *political power* & gov’t-allocated *privilege*

- *Economic inequality* is simply replaced by any *inequality in privilege* and benefits that come from political power. (example: Communist countries)

- *Conclusion*: It should not be the role of government to seek to equalize income or possessions among people in a society.

3. Government and poverty

a. Biblical teaching: many commands to care for the poor, be generous to the poor

At present, however, I am going to Jerusalem *bringing aid to the saints*. For Macedonia and Achaia have been pleased to make some contribution for the poor among the saints at Jerusalem (Rom 15:25-26; see also 2 Cor 8-9).

Only, they asked us *to remember the poor*, the very thing I was eager to do (Gal. 2:10).

But if anyone has the world's goods and sees *his brother in need*, yet closes his heart against him, how does God's love abide in him? (1 John 3:17).

- Christians should do what they can to help those who are poor.
- But these verses do not require governments to overcome poverty. (They don't forbid it, but neither do they command it – and maybe that will never work!)

b. The limited responsibilities of the government

- To provide a "safety net" for cases of urgent need among the poor and to meet people's basic necessities of life
 - ▶ The purpose of government is *to promote the general well-being of the society*
 - ▶ Such assistance can be provided from general tax revenues.
- Government handouts of money are never going to solve the problem of poverty.
- The long-term solution to poverty is when people have enough skills & discipline to get *economically productive jobs* & keep them.
- The gov't itself cannot provide people with economically productive jobs (apart from some gov't-funded jobs).
- Economically productive jobs are found in the private sector in the largest numbers by far
 - ▶ *Every successful business gives people economically productive jobs* and so contributes value to society.
 - ▶ The poor person working at a job is paid according to that added value & thus begins to climb out of poverty

c. The Bible affirms the intrinsic value of individual economic productivity ("work")

God put Adam in the Garden of Eden "to work it and keep it" (Gen 2:15) before there was any evil in the world

Paul could write, "work with your hands, as we instructed you, so that you may walk properly before outsiders and be dependent on no one" (1 Thess. 4:11-12).

He also said, "If anyone is not willing to work, let him not eat" (2 Thess. 3:10).

"A worker's appetite works for him; his mouth urges him on" (Prov. 16:26).

d. Christians who desire to help the poor and overcome the problem of poverty should seek to provide incentives and appropriate conditions for privately-owned businesses to grow and thrive and provide jobs

e. Government should encourage the development and profitability of businesses through:

- A free market with a functioning price system that will guide the allocation of resources
- A stable system of money
- Punishment of crime; enforcement of contracts, patent laws & copyrights
- Documentation & protection of private ownership of property
- A fair court system that is not partial to the rich or poor, or to the powerful or the weak
- Relatively low levels of taxation
- An effective educational system
- A trustworthy banking system

F. Government and business

1. The limited responsibilities of government

a. To encourage (*not penalize*) businesses as these are the primary creator of wealth & productive jobs in a society

b. A competitive free-market economy which encourages and rewards economically beneficial activity

- Leads businesses to produce better goods at lower prices
- Rewards those who improve their productivity and the quality of their products

2. Is economic competition "unchristian"?

- Competition is simply a system that encourages people to strive for excellence in their work
- Even those who say they dislike competition continually support it by their shopping habits

3. Why government is unable to replace a free-market economy full of thriving private businesses

- It has a monopoly on the ability to collect taxes & to require people to buy its goods.
- Due to the lack of competition, government in general is a poor creator of wealth in an economy
- It is difficult to think of ordinary consumer goods or services that a gov't might produce better than a private company

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