We live in an age where the state is taking control over more and more facets of our lives. The old saying of a paternalist state that cares for us from cradle to the grave is not that far off the mark. The free market economy is not that free anymore; it is a highly regulated market where the state controls and regulates almost every facet of our financial lives. This highly regulated form of capitalism is a result of sin. Some business leaders have been motivated by greed and selfishness. At so many layers of the American economy, such evil motivations have led to grossly unethical behavior and, consequently, the state stepped in and established onerous regulations. Broadly speaking, the trust and confidence that is the foundation of any business transaction is missing. The ethical foundation of American culture that prevents business leaders from engaging in unethical activity is gone. I would strongly argue that as the ethical foundation of the American financial system has crumbled, the state has stepped in and rewritten the rules for financial and business dealings. The result is an economic and financial system overseen by impersonal bureaucrats, who first write and then seek to enforce literally volumes of rules and regulations. Those rules and regulations replace the simplicity of God’s moral law, articulated in both the Old and New Testaments. The more we depart from God’s moral law, the historic foundation of our civilization, the more onerous and complicated government regulation will become. The more this occurs, the more the American economy will no longer be able to compete, and its capacity to generate innovation and wealth will be gone.

What exactly is the Judeo-Christian foundation of an economy? There are several salient points:

1. The ethical obligation of individual and personal responsibility is a key foundation stone. It is the individual person who is responsible for his/her own welfare, own goals and own growth. The individual has an ethical obligation to God and to other human beings. That ethical obligation promotes a work ethic that fosters individual responsibility for actions and for the consequences of those actions. One of the most important biblical passages on this work ethic is Colossians 3:22-4:1. [In the ancient world, the primary economic relationship was slave to master. It is appropriate for us to substitute employees and employer for the terms slave and master.] In this passage, the Apostle Paul argues that the following ethical obligations characterize a God-honoring employee: obedience to your employer in a consistent, sincere and wholehearted manner because in effect your real “boss” is the Lord Christ, a unique construction found only here in the New Testament. Further, this ethical obligation to your employer is eternally significant because God will reward you for obeying it (v. 24). Verse 25 declares quite clearly that there are no exceptions to this ethical obligation. Employers, likewise, are to pay their employees in a just and equitable manner, because they too have a “Master”—the Lord Christ (4:1). Work, therefore, is a holy calling, framed by a set of ethical obligations that promote honesty, personal accountability and are
driven by a deep-seated conviction that it is eternally significant. A fulfilled life is a life of productive work, which prevents idleness and self-destructive behavior. An entitlement/welfare state cannot accomplish this. Such a state fosters the exact opposite in terms of ethical obligations and behavior. In such a state, there is little personal accountability, for the state provides and cares in a paternalistic manner that is counterproductive and actually quite harmful. This greater dependency on the state fosters a financial burden on the state that, over time, it simply cannot meet: Witness Greece, Italy, Spain and Portugal. The problem for the United States is not the tax rate—it is the growing entitlement programs that foster this dependency on the state. [The tax code of the US needs significant reform and restructuring but even if the US would increase taxes significantly, it would not generate enough revenue to fund these exploding entitlements. The US needs both significant tax reform plus very significant entitlement reform.]

2. The Creation Ordinance of God (Genesis 1 and 2) stipulates that human beings are created in His image. Humans both resemble God (e.g., emotion, will and intellect) and represent Him. This Ordinance makes clear that we are God’s theocratic stewards over His world. He ultimately owns everything, including all the means of production. Our role as His steward is to manage His world in His place. Humans have dominion status over this world. We are creative cultivators of God’s world, representing Him in everything we do. That is why Paul argues that, in work relationships, both employer and employee serve the Lord Christ. Accountability is not only horizontal but it is also profoundly vertical. In this role as steward there is tremendous freedom—the freedom to create, to innovate, to be dynamic and energetic and expansive. However, this freedom does not equal autonomy. This freedom has boundaries—boundaries of honesty, integrity, trust, and doing that which is just, fair and equitable. The Bible insists on fair weights and measures, a system of equitable wages and personal responsibility for debts. Deceit and misrepresenting yourself or a product violates God’s moral law, which is to be on our heart. God moral law is summarized in 10 short commandments, which He wants to be “in our heart” framing everything we do and say. When the state tries to similarly regulate human behavior in business, it takes multiple volumes that attempt to imagine and regulate every possible scenario in the world of finance, production and employment. What a contrast! Finally, even a cursory reading of Scripture indicates that God insists we be “other-centered” in our ethical obligations. We are to serve the communities in which we live. We are to care for the poor, the widow and the orphan. Compassion is a core value in God’s order of things.

3. As I conclude this Perspective, it is now clear that the Judeo-Christian foundation of economic life is really a spiritual issue. A relationship with the living God is a prerequisite for an economy built on trust, personal responsibility and one void of envy and greed. Only a transformed life that results from a personal relationship with Jesus Christ can accomplish this. Without this ethical foundation, the state moves in and forces people, through its cumbersome and ridiculous regulations, to be ethical. Then, the fallen person seeks multiple ways to get around those very rules and regulations, which then results in more rules and more regulations. These then thwart individual initiative and creativity, which then results in further economic stagnation and greater dependency on the state. As individual responsibility diminishes, greater dependency results. The downward spiral begins. This downward spiral will not be reversed by the state nor by more of its rules or regulations, for
the fundamental problem of the human race is not political, economic or social; it is spiritual. We must restore the Judeo-Christian foundation of our economy and of our political system. If we do not do that, it is quite impossible to be optimistic about the future.