

BIBLICAL ECONOMICS TODAY

Vol. XIV, No. 2

©Gary North, 1992

Feb./March, 1992

WAS JOSEPH AN IMMORAL RULER?

by Gary North

And Pharaoh said unto Joseph, I am Pharaoh, and without thee shall no man lift up his hand or foot in all the land of Egypt. . . . And Joseph went out over all the land of Egypt. And Joseph was thirty years old when he stood before Pharaoh king of Egypt. And Joseph went out from the presence of Pharaoh, and went throughout all the land of Egypt. . . . And Joseph gathered corn as the sand of the sea, very much, until he left numbering; for it was without number (Gen. 41:44, 46, 49).

Someone once asked economist Ludwig von Mises this question: "If you had the legal authority to straighten out the economy, what would you do?" His answer was immediate: "I'd resign." He made his point: no one should ever be granted such extensive political authority. Any civil government that would lodge such power in one office-holder has already decided against the idea of the free market economy. If such power exists in civil government, the free market cannot survive for long.

Joseph was given such authority and more: "Without thee shall no man lift up his hand or foot in all the land of Egypt." Yet he did not resign. Was Joseph morally sound before God in holding onto such massive political power? Should he have abdicated?

Was Mises right or was Joseph? Were they both right? How could they both have been right? This leads to two other questions: What is the standard of righteousness for a civil ruler? Is this standard universal over both time and geography? This last question raises two more. Were there two standards of civil righteousness in the Old Covenant: one for pagan nations and one for Israel? Finally, what is the standard today?

Joseph, the Slave-Master

There can be little doubt that Joseph enslaved all the Egyptians except the priests, who were under Pharaoh's direct protection. First, he served as a tax collector. He began gathering the productivity of the land. "And Joseph gathered corn as the sand of the sea, very much, until he left numbering; for it was without number." Second, having confiscated a significant percentage of their wealth for seven years—enough to keep them alive during the seven years of famine, plus sell corn to those who came to Egypt—he used the economic crisis produced by the famine to extract everything they owned in exchange for the grain that he had confiscated. He did all this in the name of the Pharaoh. This gigantic wealth transfer took less than two years, once the famine began. The text of Scripture is clear:

And there was no bread in all the land; for the famine was very sore, so that the land of Egypt and all the land of Canaan fainted by reason of the famine. And

Joseph gathered up all the money that was found in the land of Egypt, and in the land of Canaan, for the corn which they bought: and Joseph brought the money into Pharaoh's house. And when money failed in the land of Egypt, and in the land of Canaan, all the Egyptians came unto Joseph, and said, Give us bread: for why should we die in thy presence? for the money faileth. And Joseph said, Give your cattle; and I will give you for your cattle, if money fail. And they brought their cattle unto Joseph: and Joseph gave them bread in exchange for horses, and for the flocks, and for the cattle of the herds, and for the asses: and he fed them with bread for all their cattle for that year.

When that year was ended, they came unto him the second year, and said unto him, We will not hide it from my lord, how that our money is spent; my lord also hath our herds of cattle; there is not ought left in the sight of my lord, but our bodies, and our lands: Wherefore shall we die before thine eyes, both we and our land? buy us and our land for bread, and we and our land will be servants unto Pharaoh: and give us seed, that we may live, and not die, that the land be not desolate. And Joseph bought all the land of Egypt for Pharaoh; for the Egyptians sold every man his field, because the famine prevailed over them: so the land became Pharaoh's. And as for the people, he removed them to cities from one end of the borders of Egypt even to the other end thereof. Only the land of the priests bought he not; for the priests had a portion assigned them of Pharaoh, and did eat their portion which Pharaoh gave them: wherefore they sold not their lands.

Then Joseph said unto the people, Behold, I have bought you this day and your land for Pharaoh: lo, here is seed for you, and ye shall sow the land. And it shall come to pass in the increase, that ye shall give the fifth part unto Pharaoh, and four parts shall be your own, for seed of the field, and for your food, and for them of your households, and for food for your little ones. And they said, Thou hast saved our lives: let us find grace in the sight of my lord, and we will be Pharaoh's servants. And Joseph made it a law over the land of Egypt unto this day, that Pharaoh should have the fifth part; except the land of the priests only, which became not Pharaoh's (Gen. 47:13-26; paragraphs added).

Joseph then placed these now-landless serfs under a permanent **sharecropping liability** of one-fifth of the produce of their lands. This was double the rate that Samuel described as a curse of God:

And he will take your fields, and your vineyards, and your oliveyards, even the best of them, and give them to his servants. And he will take the tenth of your seed, and of your vineyards, and give to his officers, and to his servants (1 Sam. 8:14-15)

He will take the tenth of your sheep: and ye shall be his servants. And ye shall cry out in that day because of your king which ye shall have chosen you; and the LORD will not hear you in that day (1 Sam. 8:17-18).

It is worth noting that in today's world economy, there is no major nation that would not have to cut its taxes by at least 50% in order to return to the tyranny of Egypt, and by 75% in order to return to the tyrannical regimes of Israel's kings. This indicates the extent to which modern man has forgotten the meaning of tyranny. Modern man no longer listens to God.

A Double Standard?

Samuel warned the people of Israel not to set up an earthly king. They did not listen to him, and they suffered the consequences. Joseph, on the other hand, deliberately delivered the people of Egypt into the hands of a line of kings who would collect twice the level of taxes that Samuel later identified as tyrannical: a curse of God.

Some commentators have concluded that Joseph did the wrong thing. I am not one of them. But to argue that Joseph did not do the right thing is to argue for a double standard for rulers: it was (note the verb tense) right for Joseph to place the Egyptians under such bondage but wrong for the kings of Israel to do so. That is what I have argued in print repeatedly, beginning with Chapter 23 of my commentary, *The Dominion Covenant: Genesis* (1982). I concluded that chapter with these words:

It must be recognized that Joseph was in Egypt. No system of central planning was created at Mt. Sinai. God did not tell His people to imitate the experience of Egypt. He told them to avoid all contact with the "leaven" of Egyptian culture. Joseph brought the theological slaves of Egypt under bondage to their false god, the Pharaoh. God does not want His people to turn to the legacy of Egypt's bureaucratic tyranny as a model for a godly social order.

Two Christian groups, openly hostile to each other, reject this interpretation of Joseph's actions as Pharaoh's agent: the liberation theologians and the libertarians. The first group believes that Samuel's judicial standard of unrighteous rulership never was intended to apply outside of the boundaries of Old Covenant Israel (total discontinuity), while the second group believes that Samuel's standard is universal (total continuity).

Liberation Theology

The first group has recommended Joseph's tax program as a valid model for modern political economy. If anything, they think that the Egyptian level of taxation was too low; they recommend tax increases, at least on the wealthy, far above a "mere" one-fifth. They call for a sharply graduated income tax, defending the concept in the name of something called a **graduated tithe**. (How one "graduates" a flat 10%, I have no idea.) So, the liberation theologians approve of what I call **Pharaonic economics**, at least insofar as it applies to taxation. They refuse to mention the obvious testimony of Scripture, namely, that Joseph transferred huge power to the central State by means of a State welfare program, making literal serfs of the people.

The liberation theologians reject the testimony of Samuel. Samuel identified a 10% level of civil taxation as tyrannical. The liberation theologians and the closet liberation theologians dismiss this as applicable only to Old Covenant Israel. It has nothing to do with New Testament standards of political righteousness. No, they insist, what the world requires is taxation at rates double that of Egypt. Maybe more than double. Joseph, in their view, was by

modern standards some kind of conservative supply-side economist. And Samuel? Not worth discussing.

The Libertarians

The second group of critics is the libertarian wing of modern Christianity – a very tiny group. They see Samuel's warning as valid. If Samuel was right, they conclude, then Joseph was morally wrong. He should never have collected any grain for the Pharaoh – an unwarranted interference with free market distribution, and therefore also of future production. He should have done something else, although they never say exactly what. So, I will say it for them. Maybe he should have told Pharaoh to tell his officers to tell everyone in the kingdom about a looming famine. The officers should have recommended to the people that they save more grain. But such an official declaration by Pharaoh would surely have constituted unwarranted government interference over individual decision-making, so that approach would not have been morally valid. Perhaps the Pharaoh should have said nothing at all, leaving his people to starve. After all, why should a head of State rely on the economic forecast of a criminal who had been convicted of attempted adultery?

Why, in fact, did Joseph tell the Pharaoh anything? Why didn't he take the Fifth Amendment? He was in covenant with the God who was about to starve the Egyptians. Wouldn't he become a co-conspirator? "My lips are sealed!" Given the fact that it is scientifically impossible for any economist to make interpersonal comparisons of subjective utility, what right did Joseph have to recommend any policy to the State? Why didn't he just tell the Pharaoh to resign?

The libertarians criticize Joseph's actions as an officer of Egypt, but they never tell us exactly at what point Joseph violated God's law. Some would say when he married a priestess. That Jacob later blessed the two sons of this marriage, transferring to them by this action Joseph's inheritance in the family of Israel, apparently does not indicate otherwise. Then when, precisely, did Joseph begin his descent into the depths of sin? When he interpreted the Pharaoh's dream – an unsound, interventionist foreign policy decision by the Patriarch's chosen son of a separate nation? When he failed to refuse to suggest a plan of action to Pharaoh – an illegitimate act of government-mandated economic forecasting? When he accepted the king's ring? When?

Indentured Servitude and Legalized Slavery

The issue is slavery. Joseph enslaved the Egyptians. The liberation theologians refuse to discuss this fact, and the libertarians are hard-pressed to discuss anything else. What I have argued is that one reason why God had Joseph sent to Egypt was in order to enslave the Egyptians. It was God's plan that the Egyptians fall under the bondage of permanent serfdom as a testimony to them regarding the worship of the supposedly divine Pharaoh. God used Joseph to curse Egypt, even while he saved Egypt from the famine. God used the welfare State system created by Joseph to destroy the liberty of the nation that was the archetype of false religion. In short, Joseph served as an **enlightened despot**, whose acts created a system in which unenlightened despots would later rule. There is nothing in the text (or anywhere else in Scripture) that suggests that God called Joseph to do anything else.

Again, the issue is slavery. What I argue is that in the Old Covenant era, **slavery was God's authorized way to punish those who disobeyed Him**. It was a curse, but as with any curse, it could become a blessing. Thus, Joseph was authorized by God to become the slavemaster of Egypt, serving as Pharaoh's foreman. I also argue that

he was a righteous man.

This means that I am arguing that **God granted to the Israelites the right to enslave pagans under certain conditions**. We know this is true because there is a biblical law that establishes permanent slavery, found in the jubilee land laws:

Moreover of the children of the strangers that do sojourn among you, of them shall ye buy, and of their families that are with you, which they begat in your land: and they shall be your possession. And ye shall take them as an inheritance for your children after you, to inherit them for a possession; they shall be your bondmen for ever: but over your brethren the children of Israel, ye shall not rule one over another with rigour. And if a sojourner or stranger wax rich by thee, and thy brother that dwelleth by him wax poor, and sell himself unto the stranger or sojourner by thee, or to the stock of the stranger's family: After that he is sold he may be redeemed again; one of his brethren may redeem him (Lev. 25:45-48).

Here is a double standard in God's Old Covenant law. It was illegal to enslave a brother in the faith for more than seven years; except when he asked to be enslaved (Deut. 15:16-17). It was perfectly legal to enslave a pagan, either by purchase from abroad or by military capture. The legal condition of the foreign slave extended down through the generations.

The libertarians gag on this statute almost as loudly as the liberation theologians do. They simply ignore it. Neither group is willing to discuss the rationale for a law that they refuse to discuss. I am not only willing to discuss it, I have discussed it at considerable length in Chapter 4 of *Tools of Dominion: The Case Laws of Exodus* (1990), "A Biblical Theology of Slavery," pp. 111-206. What I argue is that it was valid for an Israelite to enslave a pagan in order to place the pagan under God's covenantal blessings. Better for a pagan to live as a slave in the household of a family under God's covenant law than as a free man under pagan covenant law. That was also true for the Egyptians under Joseph's enlightened despotism. But when later Pharaohs forgot Joseph and his God, they turned God's blessing into a curse.

This thought repels both the liberation theologians and the libertarians, since both groups reject the authority of God's law. The liberation theologians are basically socialists, so they appeal back to the left-wing Enlightenment tradition of the French Revolution. They exalt the State as the primary healer in history: the gloved fist. The libertarians, however, are basically free market advocates, so they appeal back to the right-wing Enlightenment tradition of Scotland and the early United States. They exalt unregulated voluntary contracts as the primary healers in history: the invisible hand. Basically, each group baptizes an Adam: either Weishaupt or Smith. Both groups are, philosophically speaking, **sons of Adam**.

The Annulment of the Jubilee Laws

I also argue in my chapter on slavery that Jesus Christ's fulfillment of the Jubilee annulled its laws forever. Christ announced at the very beginning of His public ministry: "The Spirit of the Lord is upon me, because he hath anointed me to preach the gospel to the poor; he hath sent me to heal the brokenhearted, to preach deliverance to the captives, and recovering of sight to the blind, to set at liberty them that are bruised, To preach the acceptable year of the Lord" (Luke 4:18-19). When Israel ceased to be a covenantal nation, so did the jubilee land laws, including the pagan slave law. This constituted a major discontinuity with the past.

When we look at the institution of permanent slavery, we need to do so from the point of view of the New Covenant's discontinuity. The Old Covenant's law that authorized the enslavement of covenant-breakers by covenant-keepers no longer exists. This judicial discontinuity also annuls the legitimacy of the enslavement of pagans by a welfare State, even one managed by a covenant-keeper. The economic goal of the Christian ruler is the liberation of those under his authority. It is not the responsibility of a civil ruler to force people to attend church or pay tithes to a church. It is the responsibility of a civil ruler to see to it that the combined levels of taxation do not reach the level of the tithe.

The reason I devoted so much space in *Tools of Dominion* to the question of the lawful enslavement of pagans is that the case laws begin with slave laws. The people of Israel had been delivered from a slave system. God had shown them first-hand exactly where false religion leads, both socially and economically. Two centuries earlier, Joseph had shown the Egyptians what false religion leads to. The way out of slavery was God's covenant and its law.

God showed the Israelites that tyranny involves levels of taxation at or above the tithe. He had shown this to the Egyptians, too. They had rebelled against Him by worshipping a savior king; their crime was greater. Joseph was God's agent of both healing (food during a famine) and wrath (enslavement to Pharaoh). The economic mark of their enslavement was a sharecropping percentage double God's tithe.

The liberation of the earth by the gospel of Jesus Christ necessarily involves the abolition of intergenerational chattel slavery. Jesus definitively liberated the slaves judicially; His kingdom progressively liberates the slaves historically; the final judgment will finally liberate the slaves eternally. This means that the gospel is inherently hostile to the welfare State and the ideal of benevolent despotism which undergirds it.

Israel Refused to Learn Its Lesson

Joseph saved the lives of the Egyptians. How? He had been given access to perfect foreknowledge. God showed him what He was going to do agriculturally in Egypt for the next 14 years. The only economic justification for concentrating such power as Joseph possessed was his access to God's perfectly reliable revelation regarding the future. This divinely initiated and interpreted information regarding the future is not given by God to men today. Thus, any similar concentration of economic power in the hands of a State bureaucrat or bureaucracy is unwarranted biblically. But it was not unwarranted in Egypt in Joseph's era.

The Egyptians deserved to die. They were in rebellion against God. The sons of Jacob also deserved to die for what they had done to Joseph and the lie they had told their father. But God was merciful to them all. He sent seven good years to Egypt, but before He did, He also sent two things to Pharaoh: a dream and Joseph. He therefore sent that most precious of all scarce economic resources: accurate information about the future. He also sent the second-most precious scarce economic resource: a cost-effective plan to deal with that accurate information about the future. Finally, He sent the third-most precious scarce economic resource: someone with the courage and wisdom to apply the plan. For an entrepreneur to succeed, he must have all three things: better information than his competitors, a more cost-effective (less wasteful) plan than his competitors, and the courage and wisdom to commit resources in the present to the completion of his plan. Joseph possessed the first two resources, and Pharaoh possessed the third. The Pharaoh, as the State capitalist,

invested in the plan and forecast of Joseph the entrepreneur. The Egyptians were saved from starvation. They were also enslaved by the State that had saved them.

Later generations of Israelites knew the story of Joseph. They had labored under tyranny in Egypt. God wanted them to learn first-hand about the comprehensive social implications of false worship. He also wanted them to know what happens to freedom in a welfare State.

Then He liberated them. He gave them His law. They rebelled; they built a golden calf. He gave them manna. They rebelled again; they wanted meat (Num. 11). He gave them an opportunity to capture Canaan; they rebelled again, almost stoning Joshua and Caleb (Num. 14). He served as their king. They rebelled again, demanding a king like the other nations had (I Sam. 8). They just would not learn. They kept turning back to Egypt as their model.

So do liberation theologians. They think society is saved by compulsory wealth redistribution. It isn't.

Social Salvation by Syllogism

The libertarians, on the other hand, think we are saved socially and economically by syllogism. Writes John Robbins, a libertarian and a disciple of Calvinist philosopher Gordon Clark:

One of the fundamental logical fallacies that North commits is the naturalistic fallacy: attempting to derive an **ought** from an **is**. The fact that Joseph, who was undoubtedly a man of faith (see Hebrews 11:22), did something, does not mean that his action was right. Yet apparently because Joseph was not explicitly condemned by God for his actions, North concludes that what he did was righteous and moral. (Robbins, "Joseph's Apes," *Trinity Review* [Nov./Dec., 1991], p. 3.)

Dr. Robbins assumes, as did his mentor, that a Christian must begin with logic (specifically, the principle on non-contradiction) and then come to the Bible to discover what God wants us to learn. Dr. Robbins, like his mentor, is a rationalist. Because he is also a libertarian, he is a right-wing rationalist. This is surely better than being a left-wing rationalist. It is not, however, better than taking the specific Bible text seriously.

Robbins says: "The fact that Joseph, who was undoubtedly a man of faith (see Hebrews 11:22), did something, does not mean that his action was right." Indeed; and it also does not mean that his action was wrong. This is why we need to get our **ought** straight before we start condemning the **is** of a righteous man's actions. To get our **ought** straight, we must begin with biblical law, not Adam Smith or John Locke. To get our **ought** straight, we also need to look at the historical context: Old Testament era or New Testament era.

The specifics of biblical revelation are more important than the logical structure of our syllogisms. The specifics of biblical law inform us regarding what the content of our moral syllogisms ought to be. This is the first **ought** that we ought to take seriously. We are not supposed to go from our syllogisms to the Bible; the Bible is to provide the moral content of our syllogisms. If biblical law established

that intergenerational slavery was morally valid for pagans during a particular period of time, then slavery was morally valid for pagans during that period.

Two decades ago, I wrote an appendix for Rushdoony's *Institutes of Biblical Law* entitled "In Defense of Biblical Bribery." I warned there against the attempt of Christian theologians and moralists to take universal moral definitions from outside the Bible and then impose them onto biblical texts. "What's sauce for the goose is sauce for the gander," says the syllogist. On the contrary, says the Bible: intergenerational slavery was good for covenant-breakers and bad for covenant-keepers during the Old Covenant era. It is the Bible, not the syllogism, that is to govern our actions. God does not condemn us on judgement day (and before) because we are illogical; he judges us because we are disobedient to His law. Ethics is primary, not logic.

Conclusion

To the liberation theologians, I say: "Gentlepersons, you have a problem. You cannot identify welfare State enslavement today because you cannot identify it in the Bible. You defend the moral legitimacy of the welfare State today by an appeal to Joseph in Egypt, but then you self-consciously ignore the obvious result of Joseph's welfare State system: the servitude of the taxpayers who paid for it. Also, you do not acknowledge the fact that without the existence of divine revelation from God to the State's economic planner or planners, the justification of State economic planning collapses."

To the libertarians, I say: "Gentlemen, you have a problem. You refuse to acknowledge the legitimate enslavement of pagans in the Old Covenant era because you pay no attention to biblical law. You reject the moral legitimacy of a welfare State under Joseph on the basis of an implicit appeal to Adam Smith. You self-consciously ignore the obvious result of God's revelation to Joseph through Pharaoh and Pharaoh through Joseph, namely, that **someone in authority had to do something if everyone wasn't going to starve**. You are quite careful never to tell your readers exactly what Joseph and Pharaoh should have done differently, and then prove your case by an appeal to some biblical law or biblical moral principle."

It is our responsibility before God to structure our arguments in terms of the Bible. It is our responsibility to base our moral judgments of any biblical figure in terms of what God told him or her to do, either directly or through His Bible-revealed law. It is our responsibility to examine the New Testament carefully to determine whether an Old Testament legal principle has been annulled by the New Testament. It is therefore our responsibility to abandon both the left-wing Enlightenment and the right-wing Enlightenment as valid sources of our moral and judicial assertions.

If this makes me either heartless or illogical, I stand condemned - by men, not by God.

And if anyone ever offers me the job of straightening out the economy, I won't need to resign. I will not take the job.

Biblical Economics Today is published six times a year, alternating with **Christian Reconstruction**. It is published by the Institute for Christian Economics, a non-profit, tax-exempt educational organization. A free six month subscription is sent to those who ask to be put on the mailing list. **Subscriptions:** P.O. Box 8000, Tyler, TX 75711. All donations are fully tax-deductible; checks should be made out to **Institute for Christian Economics**.