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## CHRISTIANITY AND CAPITALISM: FRIENDS OR FOES?

by D. P. Diffine\*

Recently at a prestigious mid-western University, a group of businessmen, scholars, and ethicists came together to once again discuss the question, "Can a successful businessman be a Christian?" A senior partner of a major national law firm criticized business for its reward system, based on self-interest incentives:

If a person for the first 25 years of his career is shaped primarily by self-interest incentives, to say nothing of the period of his educational career with its grades and prizes, it seems unlikely that we will produce corporate leaders who will have an adequate vision of the long-term good of the corporation and its constituencies, much less any broader concept of the common good of society.

A professor in another location recently wrote, "It seems to me that it is quite an unworthy goal for businessmen to go to work for the sake of bringing profit to the stockholders."

Whether in the spiritual realm with respect to heaven (I Cor. 3), or in the academic world for grades, or the business world for profits, *rewards and punishments motivate people*. This motivation leads to competition which requires discipline—self-discipline, discipline under civil law, and discipline under God which builds character (Hebrews 12:1-11).

Adams Smith, in his 1776 book, *An Inquiry Into the Wealth of Nations*, stated what experience seems to confirm:

But it is only for the sake of profit that any man employs a capital in the support of industry; and he will always, therefore, endeavour to employ it in the support of that industry of which the produce is likely to be of the greatest value, or to exchange for the greatest quantity either of money or of other goods. ....He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. ....And by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the

society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.

Historically, the *competition of the free market* has only been possible where a *common culture and a common faith* lead individuals to cooperate with each other. Men compete for cooperation in the confidence that others respect quality, and they constantly improve their products and service to earn that cooperation. Cooperation dies if competition dies, because then coercion, compulsion, and force replace the free, cooperative operations of the market.

I don't believe that we can go so far as to claim that capitalism is some kind of God-given dispensation. We can, with reason and good conscience, say that a *market economy and limited, constitutional government* stand or fall together—because both are deeply rooted in the nature of man.

People are rightly concerned as to whether or not a tandem relationship between capitalism and Christianity is proper. A young man wrote me a number of years ago stating, "I feel it is a grave mistake to equate capitalism as the most compatible system to Christianity...." Here is a composite of my reply to him:

I, too, cringe when occasionally I hear someone say that he believes capitalism and Christianity mean the same thing. And I think you have very capably zeroed in on an issue about which we must be most careful.

I do believe, however, that the free market economy is the actual application of the golden rule: we help others as we help ourselves. As we help others more, we help ourselves more. As we help ourselves more, we help others more. I'm assuming, of course, that we're describing people in the market place who operate with integrity and are good stewards.

As you know, a collective or a planned economy is basically founded on two denials: a denial of the existence of God and a denial of the right of private prop-

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erty. Therefore, its two main attacks are directed against religion and against private property.

I'm sure that you would agree that a state-planned society cannot afford to have people believing in a higher authority than the state itself, especially an authority that proclaims liberty for the individual. This is why, in the collective societies, the state must be, in fact, the religion—that is, the highest authority to whom people can appeal for their rights.

With our allegiance in essentially a free market type of economic system going to a higher authority than the state, we insist that the state should be our servant and not our master. I suppose that in the past we've placed too much emphasis on dollars, profit, GNP, and all the goodies that make up our standard of living. We might better describe it as the best way of developing the talents of all the people.

### **Judeo-Christian Economic Heritage vs.**

### **Atheistic Regimented Collectivism?**

I once asked an audience "What's the difference between capitalism and socialism?" The reply came back, "Under capitalism man exploits man...under socialism it's just the opposite." Well, I suppose that if ignorance paid dividends, most of us at one time or another could make a fortune on what we don't know about economics.

We could say that at one extreme is **statism**, a system by which everybody shares equally in getting the short end of the stick, spreading the misery evenly. **Capitalism**, at the other extreme, is the system which makes the stick longer, and increases everyone's slice of the pie in the process.

The political spectrum for "left" to "right," in present-day terms of freedom of the individual, places totalitarianism—which gives the individual only such rights and freedom as the rulers decree—at the extreme "left," and anarchism—which is complete absence of government, each individual "doing his own thing" as he sees fit, the law of the jungle—at the extreme "right." The American political system was designed to operate between these two extremes, giving to each citizen the greatest practical degree of freedom and protection of that freedom.

**Religion** moves from a vigorous personal ingredient in our lives under American freedoms to a "state tool" or decadent form of worship under collectivism. **Politics** moves from the freely expressing individual under democratic freedom to a "pawn" of the ruling elite of a command system. **Economics** moves from the vigorous dynamics of self-betterment motivation under free enterprise to the mediocrity of "public control" and to the discredited idea of "to each according to his need." **Social structures** move from the dynamic open society with equality under law and opportunities for all, to a "ruling elite" surmounting the controlled society.

Capitalism contains its own built-in **checks and balances**. People are required to exercise sound judgment, or suffer the consequences of their own folly. Capitalism doesn't carry any guarantee. A man risks failure along with the prospect of success. And if we are honest, we know that there are no real guarantees possible in life—not in theory, not in reality.

It was Robert Frost who said it so well:

All men are born free and equal—free at least in their right to be different. Some people want to homogenize

society everywhere. I'm against the homogenizers in art, in politics, in every walk of life. I want the cream to rise.

Life is a process of change and risk, growth and setback, an ultimately what one can realistically hope for is to achieve a just measure of success commensurate with one's own ability. This is what capitalism is, and does. It puts the **responsibility** where belongs—on the **individual**—which is, after all, the meaning of independence.

Let it be stated here for the record that capitalism is the system for the working man. It does not reward the idle—only the man who is willing to work for his wages. However, page one of my newspaper tells me that capitalism without God is little better than communism.

American prosperity has really been a **by-product** of the **moral principles** under which we produce and exchange goods and services. The strategy of those who would weaken our nation is to weaken our faith in our principles. Men without faith in a higher moral authority readily transfer their allegiance to governmental authority.

The concept of economic individualism is well stated in "The Entrepreneur's Credo":

I do not choose to be a common man. It is my right to be uncommon... if I can. I seek opportunity...not security. I do not wish to be a kept citizen, humbled and dulled by having the state look after me. I want to take the calculated risk; to dream and to build, to fail and to succeed.

I refuse to barter incentive for a dole; I prefer the challenges of life to the guaranteed existence; the thrill of fulfillment to the stale calm of Utopia. I will not trade freedom for beneficence nor my dignity for a handout. I will never cower before any master nor bend to any threat.

It is my heritage to stand erect, proud and unafraid; to think and act for myself, to enjoy the benefit of my creations and to face the world boldly and say: This, with God's help, I have done. All this is what it means to be an Entrepreneur.

### **The Inseparability of Economics and Morality**

Right now, many of the world falsely think that the Scriptures are not practical. They falsely believe that religion means to relegate one to a life of poverty. Although we shouldn't make god of materialism, we shouldn't ignore the principles for prosperous living that have been preserved for us. Balance has been provided in Proverbs 30: 7-9.

7. Two things have I required of thee; deny me them not before I die:

8. Remove far from me vanity and lies; give me neither poverty nor riches; feed me with food convenient for me:

9. Lest I be full, and deny thee, and say, Who is the Lord? or lest I be poor, and steal and take the name of my God in vain.

Nothing is more certain than this—the person who cannot be happy without money will never be happy with money. One has only to read the daily papers to see that the wealthiest are not necessarily the happiest. If money does not make people happy neither does it keep them from being happy. Happiness is in

dependent of money, but dependent upon the spirit within.

"Materialism" is perhaps an overworked word. It can mean material betterment away from premature death and a miserable existence. We in America are the inheritors of the real revolution to restore material betterment.

Let us never forget that during all of recorded history, it has only been in the last 250 years that man has been able to do what he never could before: more than adequately feed, clothe, and house himself. For the first time ever in the history of man, we have, through the Industrial Revolution, fostered real economic growth. Through it everyone has more without anyone having less.

Contrary to our country's critics, foreign and domestic, the people of the United States may very well be the **least materialistic** in the civilized world. This bears some explanation. The word "materialistic" usually describes people who are too much concerned with earthly goals and indifferent to the idealistic side of life. It suggests money-grubbing and selfishness.

In demonstrating that this need not necessarily be categorically true of the American people, let's first consider the effect of material possessions on man's materialistic outlook. Every normal man instinctively tries to improve his condition by acquiring physical things, whether they be ranch houses or caves, automobiles or camels, motor trucks or wheelbarrows.

The fewer his physical possessions, the greater his need. The greater his need, the greater his concern for acquiring more. And the greater his concern, the greater his materialistic interests. This is natural and inevitable.

The American people do have more physical possessions than any other people on earth, but that permits them to be the most idealistic people on earth. They have less regard for physical things than any other people on earth because they can acquire them so easily. **Americans give away more things and support more causes than any other people on earth**, not because they are more generous by nature, but because they **have so much to give**.

I have always dedicated myself to convincing our young people that, in their getting of material goods, they should not let material goods possess them. However, I am always urging young people to develop marketable skills so that they can earn a respectable living, without having to work seven days a week at two jobs. This frees them to give voluntarily of their extra time, talents, and money to be of aid and influence to others for the good of the Kingdom around the globe.

The last chapter of *God's Plan for Financial Success* (by Leroy Brownlow) deals with how financial success can be a failure. Dr. Brownlow notes ten conditions in which financial success turns to failure:

1. When one is possessed with the love of his wealth;
2. When one covets his money and makes it a form of idol;
3. When pride and vanity step into the picture;
4. When one doesn't enjoy his wealth as God commands us;
5. When wealth makes a fool of a person;
6. When a fortune is gained dishonestly;
7. When wealth overcomes the word of God in a person's heart;
8. When one expects wealth to satisfy all his needs;

9. When one thinks his soul can live on material wealth;

10. When prosperity harms a person in any manner.

The Bible and daily life show that wealth can help or harm us. It is up to us and our attitudes and our faith in God.

In the course of the last decade of teaching economics to young people, and in order to be sure we're keeping them on the "straight and narrow," I make it a point to include the following question at some point in one of their multiple choice examinations:

If you gained the whole world and lost your soul, you would:

- a. be a fat cat
- b. be a big-man-on-campus
- c. have made an excellent trade-off
- d. have made a poor bargain indeed.

(If you did not pick the last option from the above choices, please start again at the beginning of this topic).

If you would chance to visit my office, you would see that I collect plaques that quote bits of time-honored wisdom (and maybe even some occasional humor). One of my favorites is this one which helps us with our priorities:

Yesterday is a cancelled check:

Tomorrow is a promissory note.

Only today is ready cash.

How would you spend it, if it were the last shopping day you had left?

### **The Free Market and Christianity in Tandem**

Capitalism has a wonderful track record, and we should be very pleased to be partakers in it. If we're not, there's really something basically wrong. It's almost (but not quite) like reading the Bible and not being happy.

One reason business people often seem more vital and more alive than others is their daily engagement with problem-solving and challenges. This is not to say that business people are in a state of bliss. Rather, as a group they have a comparatively **strong sense of purpose**, which their work gives them.

Mr. Bill Waugh, founder and chairman of the board of Casa Bonita, and Taco Beuno restaurants, was kind enough to pass the following to me recently:

#### *Salute To Competition*

My competitors do more for me than my friends do; my friends are too polite to point out my weaknesses; but my competitors go to great expense to advertise them.

My competitors are efficient, diligent and attentive; they make me search for ways to improve my service and products.

My competitors would take my business away from me if they could: this keeps me alert to hold what I have.

If I had no competitors, I would be lazy, incompetent, inattentive; I need the discipline they enforce upon me.

I salute my competitors: they have been good to me.  
**GOD BLESS THEM ALL!**

Free enterprise is a social cause. It solves the problems of society better than any system we know, because it solves the problems of the individual. It does so much more, because it allows you and me to do and to achieve so much more.

I wish that I could provide a surefire answer to the issue of poverty. There is an old Chinese proverb that tells us that you can't bribe poverty to make it go away; you have to work it to death. It goes like this, "Give a man a meal, and you've fed him for a day. Give him a fishhook or a net, and you've allowed him to feed many for a lifetime."

The average Christian American, in trying to cope with several decades of government-engineered inflation and the excesses of a growing welfare state, is up to his eyeballs in debt. I doubt that we need to make him feel guilty about working, saving, scrimping, and budgeting—especially if he genuinely desires to be a good steward of the time, talents, and resources made available by our Father.

**Free enterprise is an attitude**, one of responsibility, of citizenship, of pride, of dignity and of decency. Most of all, it is an attitude of **thankfulness**. For too long, we have emphasized its advantages when perhaps we should be emphasizing its good news.

In fact, Christianity and free enterprise can go hand in hand. Socially, they concern themselves about people; and together, they solve people's problems. They solve more problems for more people than all the systems in the world. This, to me, is the main thrust of free enterprise. This is what it is all about.

It practices the same principles that Christ taught us: that we are important as individuals; that we are given certain talents by God; that we are to develop and use those talents to the very maximum; that we are to hold our heads high and stand erect and concern ourselves about our fellow man, as we put maximum effort into reaching our maximum potential.

The freedoms that have made us so true to Christ in this country are the same freedoms we want to be true to ourselves. We owe it to ourselves; nobody owes it to us. So, I ask you to join me in preserving and spreading the word about the human side of free enterprise, so that those of us who have been blessed so abundantly can commit ourselves to leaving our country and our way of life a little bit better for the next generation than it was when we found it.

### **The Bottom Line**

Economics is the science which examines the production,

distribution, and consumption of wealth. God has so created the world in which men now live that they must of necessity concern themselves with the matter of providing food, clothing, and shelter for themselves and for their dependents.

God is concerned about man's relationship to material things. There is urgent need today for His people to concern themselves with carrying into the realm of economics the revealed will of God and the mind and spirit of Christ.

We must be honest with ourselves regarding earthly riches. I hope that we don't really believe that we can convert it all to traveler's checks and take it all with us. Neither can the unbeliever, not even in an asbestos-lined suitcase.

I have tried to give the reader some of the possible keys to God's storehouse of wealth. If this topic can contribute to helping you unlock the true wealth that comes from righteousness, and thus make life pleasant and eternity happy, then my purpose shall have been fulfilled.

Let's remember that real charity doesn't care if it's tax deductible or not. If we do it right, with good integrity and stewardship, there's no reason why fulfilling one's self and making money hand-over-fist can't be synonymous. There is, in fact, a big difference between "Filthy Lucre" and just plain "Lucre." Only the former is ill-gotten gain.

It is true that pleasure can be bought at a price. But remember: happiness is priceless. Remember that the greatest of all gifts is the power to estimate things at their true worth. Be the laborer who is worthy of his hire. Be worth your sodium chloride. Never forget that **integrity is in short supply and in very great demand**. It's a seller's market!

May I suggest that if the **Golden Rule** is to be preached at all in these modern days, when so much of our life is devoted to business, it must be preached especially in its application to the **conduct of business**. We should all live by the code that service is the rent we pay for the space we occupy here on earth.

I want to go on record that the successful pursuit of a professional career in business, in education, or in any other area is inherently consistent with a righteous life. Furthermore, I believe that close adherence to Bible principles enhances—not hinders—the probability of professional success. And while you're at it, have a happy, secure, and prosperous forever.

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