

2019

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Originally published as:

Crane, R. (2019). Enslaved imaginations: The [Pelagian] heresy of market fundamentalism and Christian moral discernment. *Review and Expositor* (Berne), 116(1), 16–32.

Recommended Citation

Crane, Richard, "Enslaved Imaginations: The [Pelagian] Heresy of Market Fundamentalism and Christian Moral Discernment" (2019). *Biblical, Religious, & Philosophical Studies Educator Scholarship*. 1.
https://mosaic.messiah.edu/brps_ed/1

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Enslaved imaginations: The [Pelagian] heresy of market fundamentalism and Christian moral discernment

Review and Expositor
2019, Vol. 116(1) 16–32
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DOI: 10.1177/0034637319831012
journals.sagepub.com/home/rae



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Abstract

In many respects, the US economy bears little resemblance to a genuine free market system. The economic policy-making process has been captured by powerful interests, resulting in regressive arrangements that redistribute wealth upward. The inequality generated is sanctioned in popular discourse by a confusing of ideal free markets with real world markets. “Market fundamentalism” imagines the market as self-regulating, governed by economic laws inscribed into the natural order, and thus a free and fair system. This rhetoric disguises how the system’s structure favors some at the expense of others.

Evaluating market fundamentalism with a theological lens reveals resemblances to the ancient Pelagian heresy. The “Pelagianism” of market fundamentalism lies in: (i) the assumption the market is natural, untainted by original sin; and (ii) the notion that every market participant possesses unfettered freedom, along with equal opportunity, to succeed. A Christian account of humans as entangled in sin should lead us to recognize all human constructs, including economic systems, are flawed and corrupted. This conviction should render Christians alert for systemic injustices and distortions.

Market fundamentalism’s most insidious function is to prohibit moral evaluation of market outcomes on the grounds that free markets are fair. Christians bear a responsibility to expose the “heresy” of market fundamentalism as a “deceptive rhetoric” and to evaluate market outcomes in light of Jesus’ premium upon human well-being.

Keywords

discipleship, economic ethics, market fundamentalism, original sin, Pelagianism, theological anthropology

“Don’t blame Wall Street, don’t blame the big banks, **if you don’t have a job and you’re not rich, blame yourself!** It is not someone’s fault if they succeeded; **it is someone’s fault if they failed.**”¹

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- 1 Herman Cain, “Herman Cain Explains his 9-9-9 Plan,” interview by Alan Murray, *The Wall Street Journal*, Oct 5, 2011, accessed Feb 8, 2012, <http://online.wsj.com/video/herman-cain-explains-his-999-plan/C0F27595-4101-4E21-83A0-A65A8C53D4F0.html>.

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With these words, Herman Cain condemned the Occupy Wall Street movement for its protest against rising economic inequality. Rick Santorum expressed similar sentiments:

There is income inequality in America. There always has been and hopefully, and I do say that, there always will be. Why? Because people rise to different levels of success based on what they contribute to society and to the marketplace.²

Cain and Santorum give voice to what is an article of faith for many Americans: our economy is fair and just, and anyone, through hard work and determination, is able to succeed. If this is the case, economic failure is a moral failure.³

This article questions these assumptions. The point is not the rejection of free markets. There is much to appreciate about truly free markets. The target of this article is “market fundamentalism” and the vociferous public rhetoric that promotes this distorted and simplistic picture of actual markets. Fred Block defines market fundamentalism, a pejorative term, as “a quasi-religious faith that unregulated markets will always produce the best possible results, because markets are believed to be natural and government regulations are deemed to be artificial.”⁴ This article’s focus is upon popular rhetoric that manifests itself in pronouncements of politicians, talk radio, and the entertainment-driven cable news industry. But the accusation of “market fundamentalism” has also served as a criticism of neoliberal economic philosophies dominant since the early 1990s. What has been referred to as “the Washington Consensus” is the belief that markets with as little government regulation as possible work the best.⁵

At times, this *laissez-faire* ideal is upheld as the standard to which economic systems are supposed to conform but fail to do so. This rhetoric functions in this manner when we hear complaints about “government interference” with the market. At other times this rhetoric is simply duplicitous, especially when businesses lobby for government assistance such as contracts, subsidies, and support in foreign markets, but shift to the language of unfettered markets to oppose taxes, regulations, and government constraints upon their behavior.⁶

This article focuses primarily upon a third function of market fundamentalist rhetoric and social imagination. The theoretical capitalism of introductory economics textbooks often pictures the market as a self-regulating system in which “supply and demand,” the price mechanism, and competition between rational and self-interested consumers, laborers, and employers produce fair and just market outcomes that benefit the entire society. Market fundamentalism could be described as the importation of textbook models of capitalism into our beliefs about real world markets.⁷ Our culture’s “false morality tale,” Dean Baker suggests, is the belief that the market is natural and, as such, distributes income fairly based upon how productive persons are.⁸ This imagined picture of

2 Nick Kalman, “Santorum Praises Income Inequality,” *Fox News*, Feb 16, 2012, accessed Feb 18, 2012, <http://nation.foxnews.com/rick-santorum/2012/02/16/santorum-praises-income-inequality>.

3 David K. Shipler, *The Working Poor: Invisible in America* (New York: Alfred A. Knopf, 2004), 5–6.

4 Fred Block, “Reframing the Political Battle: Market Fundamentalism vs. Moral Economy,” Longview Institute, accessed Dec 15, 2012, <http://www.longviewinstitute.org/projects/moral/sorcerersapprentice>.

5 “Redefining the Role of the State, Joseph Stiglitz on Building a ‘Post-Washington’ Consensus: interviewed by Brian Snowdon,” *World Economics* 2 (2001): 45–86; Jorge Rieger, *No Rising Tide: Theology, Economics, and the Future* (Minneapolis: Fortress Press, 2009), 14. In the name of neoliberalism, nations in the so-called “developing world” have been pressured to open their markets to foreign investment, to privatize state-owned industries, and to abolish trade barriers such as tariffs.

6 Block, “Reframing the Political Battle.”

7 Kaushik Basu, *Beyond the Invisible Hand: Groundwork for a New Economics* (Princeton: Princeton University Press, 2011), ix, 15. In this article, I draw upon insights from multiple economists, including Fred Block, Kaushik Basu, James K. Galbraeth, Joseph Stiglitz, Rebecca Blank, Dean Baker, Robert Reich, Jonathan Sachs, Duncan Foley, and Charles Lindblom.

8 Dean Baker, *Rigged: How Globalization and the Rules of the Modern Economy were Structured to Make the Rich Richer* (Washington, DC: Center for Economic and Policy Research, 2016), 25.

the free market functions to shield actual market outcomes from moral evaluation and criticism. In the words of economist James Galbraith, such rhetorical performances are designed “to condition the public to accept the exponential increase in inequality as right, normal, and ‘not to be complained of.’”⁹

In what follows, four major arguments are linked together for the purpose of evaluating economic realities with a “lens” provided by the Christian faith.¹⁰ The first argument is that popular market fundamentalism bears a strong resemblance to the ancient Pelagian heresy—a flawed understanding of the human person that was rejected by the church.¹¹ Second, a proper Christian understanding of the human condition, what theologians refer to as “theological anthropology,” should lead us to recognize that, just as every individual is entangled in sin, so also everything humans make or construct, including economic systems, will be partly flawed and corrupted. Third, if we take a closer look at economic realities in full awareness of the human propensity to sin and injustice, we will discover that growing economic inequality in our society is not the result of pure market forces but is the product of an economic system tilted to favor some at the expense of others. The fourth argument, offered as guidance for the church as a community of moral discernment, is that the church has the responsibility to resist the “heresy” of market fundamentalism and instead to insist upon the ongoing moral evaluation of market outcomes for the sake of human well-being.

The Pelagian heresy, the doctrine of original sin, and the elementary grammar of Christian theological anthropology

The Pelagian controversy erupted in the early fifth century. While much debate has occurred about whether Pelagius himself subscribed to all the views attributed to him, what was ultimately condemned as *Pelagianism* was the belief that human nature was not significantly damaged by the disobedience of Adam and Eve. Therefore, no impediment to obedience to God’s commands exists in human nature. We are free and self-determining creatures with complete control over our actions and choices. Pelagianism pictures or imagines humans to be disconnected individuals, not significantly influenced by others.¹² Even negative influences, such as society’s moral corruption, are but minor impediments easily overcome by the exercise of willpower. God has given humans the capacity for right and wrong choice, Pelagius claimed, in order that the fulfillment of God’s will might come from humans’ own wills. Pelagius did not deny that all humans have sinned. Grace, however, is not needed to heal and repair human nature. The divine grace humans need is merely that which pardons humanity’s past sins.¹³

In the Christian West, the classical formulation of the doctrine of original sin was articulated by St. Augustine in sharp opposition to Pelagianism. Augustine taught that all humans inherit a severely damaged human nature inclined toward sin. Human nature is so distorted that we are, by

9 James K. Galbraith, *The Predator State: How Conservatives Abandoned the Free Market and Why Liberals Should Too* (New York: Free Press, 2008), 89–91.

10 Rebecca Blank, “Viewing the Market Economy through the Lens of Faith,” in *Is the Market Moral? A Dialogue on Religion, Economics, and Justice*, by Rebecca Blank and William McGurn (Washington, DC: Brookings Institute Press, 2004), 11–55.

11 Pelagianism was condemned at the ecumenical council of Ephesus (431 CE) and at three regional synods.

12 Peter Brown, *Augustine of Hippo: A Biography* (Berkeley: University of California Press, 1967), 340–52, 367, 372.

13 J. Warren Smith, “Justification and Merit Before the Pelagian Controversy: The Case of Ambrose of Milan,” *Pro Ecclesia* 16 (2007): 195; Pelagius, *Letter to Demetrias*, 2, 3, 8, accessed Jan 30, 2015, <http://epistolae.ccnmtl.columbia.edu/letter/1296.html>; Etienne Gilson, *The Christian Philosophy of St. Augustine*, trans. L. E. M. Lynch (New York: Random House, 1960), 158; John Ferguson, *Pelagius: A Historical and Theological Study* (Cambridge, UK: W. Heffer and Sons, 1956), 57–60.

our own efforts, incapable of realizing our true *telos* or purpose, which is love for and delight in God, which also involves us in love of neighbor. Not every aspect of St. Augustine's theology of sin was accepted by the entire church of his own day or after his time. However, broad agreement does exist, inclusive of eastern and western Christians, that human nature has been profoundly damaged by sin and that Pelagianism is to be rejected as a heretical understanding of the human condition.¹⁴

Though the doctrine of original sin faces significant challenges from scientific understandings of the evolutionary history of the human race, many theologians have endeavored to reinterpret the doctrine in ways that are faithful to certain indispensable insights of earlier formulations of the doctrine about the human condition.¹⁵ The first of these insights is that the human race is interdependent and interconnected. Adam Kotsko points out that the most important strands of Christian thought about salvation, originating with St. Irenaeus, St. Gregory of Nyssa, and St. Anselm, drew from St. Paul's "first and second Adam" schema. Only a social and relational understanding of humanity makes possible the conviction that an agent at one particular point in history can act in ways that have cascading effects, whether negatively in the case of Adam or positively in the case of Christ, that impact the entirety of created reality.¹⁶

Second, all of humanity is caught up together in a tragic solidarity of sin, bondage, and death, a universal situation of disaster greater than the sum of each individual's personal sin. Sin accumulates over time and generates more sin, like a contagion passed from generation to generation, through mechanisms such as family dysfunction, racism, the legacies of colonialism and slavery, abuse, and festering resentments from injustices past that produce endless cycles of resentment, violence, revenge, and new injustices.¹⁷

Third, as we are interconnected, the sins of others, including those who preceded us, adversely impact us. We were already entangled in the tragic human situation prior to our own personal moral decisions. The "game board" upon which our moral agency is exercised is already tilted in a negative direction. Before we can even make a self-consciously moral decision, our identity and "moral coordinates," that is, our understandings of right and wrong, true and false, have been socially constructed, shaped, and molded by our families and the beliefs and values of those around us.

Fourth, everything humans make or construct will be tainted by sin. No spheres of innocence exist. Sin is not only individual wrongdoing but is also embedded within social systems and institutional structures. Social policies, laws, and customs often protect, reinforce, and legitimate existing social injustices. Social systems then generate cultural values that normalize oppression, domination, and unjust privilege and come to be taken for granted as the way things objectively are.¹⁸

14 St. Augustine, "A Treatise on Grace and Free Will," 14, 27, and "A Treatise on the Merits and Forgiveness of Sins, and on the Baptism of Infants," in *A Select Library of the Nicene and Post-Nicene Fathers of the Christian Church*, Series I, vol. V, *St. Augustin: Anti-Pelagian Writings*, ed. Philip Schaff (Grand Rapids, MI: Eerdmans, 1956), 126, 1257; Oliver D. Crisp, "On Original Sin," *International Journal of Systematic Theology* 17 (2015): 252–66.

15 As doubts have been cast upon the historicity of the story of Adam and Eve, theologians have been challenged to rethink the doctrine of original sin without a causal and biological explanation for the transmission of sin. See Crisp, "On Original Sin," 253–56.

16 Adam Kotsko, *The Politics of Redemption: The Social Logic of Salvation* (New York: T&T Clark, 2010), 2–5.

17 Ted Peters, *Sin: Radical Evil in Soul and Society* (Grand Rapids, MI: Eerdmans, 1994), 22–27.

18 While the language of social and institutional sin is associated with liberation theologies, theologians at many points along the theological spectrum have utilized these categories. See, e.g., Tatha Wiley, *Original Sin: Origins, Developments, Contemporary Meanings* (Mahwah, NJ: Paulist Press, 2002), 139, 146, 149–50, 176; Roger Haight, "Sin and Grace," in *Systematic Theology: Roman Catholic Perspectives*, vol. 2, ed. John P. Galvin and Francis Schüssler Fiorenza (Minneapolis: Fortress Press, 1991), 88, 105; Cynthia Moe-Lobeda, *Resisting Structural Evil: Love as Ecological-Economic Vocation* (Minneapolis, MN: Fortress Press, 2013), 49–78.

Pelagianism and the asocial imagination of market fundamentalism

The ancient Pelagian heresy provides an illuminating lens for analyzing popular market fundamentalism. First, intriguing similarities exist between Pelagianism and characteristically modern conceptions of the human person as sovereign, self-governing, and possessing unfettered moral agency. Michael Hanby has described Pelagianism as “proto-modern.”¹⁹ Adrian Pabst has argued that three different strands of modern thought, originating in the philosophies of Thomas Hobbes, Immanuel Kant, and John Locke, each imagined human will and freedom to be like God’s absolute and sovereign will.²⁰ One also finds this tendency in Rene Descartes, who believed that humans are “the image of God” by virtue of possessing unlimited freedom of the will and personal sovereignty. J. B. Schneewind has traced the monumental shift in modern European moral philosophy from conceptions of morality as obedience to an understanding of morality as autonomy or self-governance. By the end of the eighteenth century, he concludes, the prevailing opinion, as in the moral philosophy of Immanuel Kant, for example, was that all humans are able to determine for themselves what morality calls for and are fully capable of moving themselves to act accordingly. For example, Lord Herbert of Cherbury, echoing Pelagius, insisted that our own freedom enables us to be wicked or good. Otherwise, he argued, any goodness we have would not come from us, but from God.²¹

John Locke, who had the most direct influence on the American social, political, and economic imagination, viewed humans as self-possessing and self-governing individuals, sovereign proprietors of their own person and property, a viewpoint C. B. Macpherson describes as “possessive individualism.” For Locke, isolated and dissociated individuals exist as selves prior to and apart from relationships and social bonds. As individual freedom to pursue one’s own self-chosen interests is the highest good, the point of the law and government is to give each person the security to dispose, as he or she pleases, of his or her person, actions, and possessions. In other words, possessive individualism tends toward a political philosophy in which government exists strictly to protect individual liberty and private property rights and to maintain orderly relations of exchange within otherwise unfettered markets.²²

Second, certain negative moral judgments rendered against the poor are eerily reminiscent of Pelagius’s belief that every person comes into the world in the same state of liberty as Adam came

19 Michael Hanby, *Augustine and Modernity* (New York: Routledge, 2003), 9, 106, 135, 139, 154–56, 164. Modernity, a contested term, is associated with both the European Enlightenment and currents of thought that both preceded it and followed in its wake. Ideas associated with modernity include a strong emphasis on the individual and individual liberty and a rejection of tradition and traditional authorities as norms for our beliefs and practices in favor of reason and science as the arbiters of what counts as plausible candidates for belief.

20 This understanding of God’s absolute and sovereign will was bound up with medieval nominalism and voluntarism. Adrian Pabst, “Introduction,” in *The Crisis of Global Capitalism: Pope Benedict XVI’s Social Encyclical and the Future of Political Economy*, ed. Adrian Pabst (Eugene, OR: Cascade Books, 2011), 5–6.

21 J. B. Schneewind, *The Invention of Autonomy: A History of Modern Moral Philosophy* (Cambridge, UK: Cambridge University Press, 1997), 4–5, 9–10, 182–85, 192–93.

22 C. B. Macpherson, *The Political Theory of Possessive Individualism: Hobbes to Locke* (Oxford: Clarendon Press, 1962), 17, 263–69, 272; John Locke, *Of Civil Government: Book II: Second Treatise*, in *Two Treatises of Government and a Letter Concerning Toleration*, ed. Ian Shapiro (New Haven, CT: Yale University Press, 2003), paragraph 57, 123–24; William T. Cavanaugh, “Killing for the Telephone Company: Why the Nation-State is not the Keeper of the Common Good,” *Modern Theology* 20 (2004): 252, 255; Chuck Collins and Mary Wright, *The Moral Measure of the Economy* (Maryknoll, NY: Orbis Books, 2007), 83–84; Jeffrey D. Sachs, *The Price of Civilization: Reawakening American Virtue and Prosperity* (New York: Random House, 2012), 36–37.

from the hand of God.²³ If human persons possess unfettered free will and, therefore, full responsibility for their choices, the logical conclusion is that poverty is the result of each individual's laziness or bad choices. Henry Giroux identifies a characteristically American concept of individual responsibility that is blind to inequalities in power and wealth and their adverse impact on individuals and groups. This idea supports a theater of cruelty, scornful of compassion and concern for others. For example, Newt Gingrich and Rick Santorum have accused food stamp recipients of not possessing the American will of success, and Rush Limbaugh characterized beneficiaries of social safety net programs as "losers."²⁴

These judgments assume that humans are not interconnected and, therefore, are not adversely affected by the cumulative weight of past sin. But the sedimentation of past wrongs can be an all-but-insurmountable barrier. Malnutrition in early childhood is extremely damaging for brain development. In spite of our society's love for the rags-to-riches morality tale, the United States actually has the lowest levels of social mobility among advanced industrial nations. Educational inequalities, the home in which one was raised, and the networks and connections available to persons from privileged homes tilt the economic playing field. As schools are funded largely by property taxes, the ways Americans sort themselves residentially by race and economic class perpetuate inequalities from one generation to the next. Though irresponsible sexual behavior, alcoholism, and drug addiction perpetuate poverty, these behaviors are often part of a destructive tapestry in which some persons were entangled early in life. The field of trauma studies has discovered the destructive impact of adverse childhood experiences, such as sexual abuse, on the economic prospects of those so affected.²⁵

A third consideration is the widespread imagined picture of the economy as a natural system, governed by impersonal and universal laws, existing within its own separate and self-enclosed sphere.²⁶ This picture of the market has often been supplemented by a theological interpretation of the free market. For example, nineteenth century theologian Francis Wayland implied that classical *laissez-faire* principles were rooted in the divinely ordered, natural structure of the world. More recently, Robin Klay and John Lunn suggested that capitalist markets are divinely established by identifying Friedrich Hayek's conception of the "spontaneous order" of the market with divine providence.²⁷ With this theological maneuver, the free market is construed as natural and innocent, a sphere of reality and freedom undamaged by sin. A significant percentage of white evangelicals embrace this theological version of market fundamentalism, believing that because God has ordained the free market, it is fair, without need of government intervention, and anything is possible through hard work.²⁸

23 Gilson, *The Christian Philosophy of St. Augustine*, 158.

24 Victoria Harper, "Henry A. Giroux: Neoliberalism, Democracy and the University as a Public Sphere," *Truthout*, Apr 22, 2014, accessed June 17, 2015, <http://www.truth-out.org/opinion/item/23156-henry-a-giroux-neoliberalism-democracy-and-the-university-as-a-public-sphere>; Sasha Abramsky, *The American Way of Poverty: How the Other Half Still Lives* (New York: Nation Books, 2013), 45–47.

25 Sachs, *The Price of Civilization*, 39–40, 78, 280, n. 14; Shipler, *The Working Poor*, 142–73, 201–18; Jo Blanden, Paul Gregg, and Stephen Machin, "Intergenerational Mobility in Europe and the North America," London School of Economics Centre for Economic Performance, Apr 2005, accessed Apr 11, 2013, <http://www.cep.lse.ac.uk/about/news/IntergenerationalMobility.pdf>.

26 Larry M. Bartels, *Unequal Democracy: The Political Economy of the New Gilded Age* (New York: Russell Sage Foundation, 2008), 29; Duncan K. Foley, *Adam's Fallacy: A Guide to Economic Theology* (Cambridge, MA: The Belknap Press, 2006), xiii–xiv, 1–2.

27 Francis Wayland, *The Elements of Political Economy* (New York: Sheldon and Company, 1885), 3–6; Robin Klay and John Lunn, "The Relationship of God's Providence to Market Economies and Economic Theory," *Journal of Markets and Morality* 6 (Fall 2003): 547–48.

28 Paul Froese, "How Your View of God Shapes Your View of the Economy," *Religion and Politics: A Project of the John C. Danforth Center on Religion and Politics*, Washington University, St. Louis, MO, June 13, 2012, accessed Mar 29, 2015, <http://religionandpolitics.org/2012/06/13/how-your-view-of-god>

What “we” expect to see!

All humans live “within” a social imaginary, a picture of the world that shapes what we take to be basic common sense, what we assume to be real, true, good, and normal.²⁹ In their analysis of the role of white evangelical Christianity in unintentionally perpetuating racial divisions, Christian Smith and Michael Emerson identified certain features of the social imaginary of many white evangelical Christians. Though their study was focused upon questions of race, their findings are relevant for understanding the embrace of something close to market fundamentalism as well. “Accountable freewill individualism” and “anti-structuralism” were the interpretive categories they employed to describe this social imaginary. Individuals are assumed to exist independent of structures and institutions, and are accountable for the choices they make as moral agents with free will, and are personally responsible for, and fully in control of, their own decisions and destinies. Systems themselves are not seen as corrupted. Injustices tend to be attributed to bad behavior of individuals within the system. In a manner that is incipiently Pelagian, sin is located strictly within the will and choices of self-governing individuals, not in the destructive impact of flawed systems or institutions upon individuals.³⁰

As all humans inhabit a social imaginary, we are all more prone to “see” what our beliefs and assumptions lead us to expect to see. Conversely, we tend “not to see”—to screen out, unintentionally perhaps—what we do not expect to see because of our beliefs about what is real or true. Many philosophers of science describe this phenomenon by pointing out that all observation or perception is “theory-laden.”³¹ Therefore, one might expect that those who believe markets are natural and, as such, are basically morally neutral systems will have a more difficult time detecting ways that the system itself might be tilted in unjust ways. Economic success and failure will inevitably be seen strictly as the result of individual efforts and choices.

On the other side of the equation, a more faithful Christian theological anthropology should lead us to expect that every human organization and system will include some measure of moral corruption, injustice, and distortion. If we analyze economic realities in the United States through this lens, we will be more prone to see ways in which our current economic system not only falls short of the textbook ideals of market fundamentalism, but also represents “rigged markets” rather than free markets.

Gaming the system: Not a natural or innocent economy

Thinking faithfully as Christians about matters of economic justice requires us to see beyond the façade of market fundamentalism. Crucial to understanding is that the market in its current guise bears little resemblance to the idealized textbook free markets of neo-classical economics. Current market outcomes, including the exponential rise in income inequality over the course of the past

-shapes-your-view-of-the-economy/; *The Values and Beliefs of the American Public: Wave III of the Baylor Religion Survey*, conducted by the Department of Sociology, College of Arts and Sciences, and Hankamer School of Business of Baylor University, Sept 2011, accessed Mar 29, 2015, www.baylor.edu/content/services/document.php/153501.pdf.

29 Barry Harvey, “Into Lands as Yet Unknown: The Church’s Vocation of Not Belonging,” *Perspectives in Religious Studies* 41 (2014): 298–99, 302–5.

30 I suggest that this way of making sense of the world is not limited to, though it may be highly concentrated among, white evangelicals. Michael O. Emerson and Christian Smith, *Divided by Faith: Evangelical Religion and the Problem of Race in America* (New York: Oxford University Press, 2000), 76–79, 94–101, 110.

31 The recognition that all observation is “theory-laden” was popularized by Thomas Kuhn, though he was not the first or only philosopher of science to make this claim. Thomas S. Kuhn, *The Structure of Scientific Revolutions* (Chicago: University of Chicago Press, 1970).

thirty years, are not the fair results of truly free markets. Joseph E. Stiglitz describes the United States economic system as a “rent-seeking” economy. This term describes distortions of market processes, such as price-fixing, price-gouging, price-manipulating, collusive behavior, and other anti-competitive practices, that allow business enterprises to increase profits without creating anything valuable. Stiglitz and David Cay Johnston contend that the most powerful in our society have successfully shaped the rules of the game in order to extract “large gifts” from the public, including government subsidies, laws that make the market less competitive, and non-competitive procurement, such as receiving state assets like oil at below fair market prices. A prime example is the ethanol subsidy combined with high tariffs on Brazilian sugar-based ethanol. The primary beneficiaries were the corn-ethanol producers, dominated by Archer Daniels Midland, whose executives contributed generously to both major political parties.³² A second example is a key provision of the extension of the Medicare drug benefit in 2003 that prohibited the government from bargaining for lower prices on drugs. This provision was a gift of fifty billion dollars or more per year from the taxpaying public to pharmaceutical companies. Getting top prices while dealing in volume means tens of billions in profits to the drug companies beyond what real market competition would have provided. The bill was simply a redistribution scheme, taking tens of billions of dollars from taxpayers to funnel to the well-connected few.³³ As Johnston observes, the fear articulated by President Ronald Reagan that “the rabble” would drain the Treasury has come true, but with a twist: the rich gorge themselves on government giveaways, favors, contracts, subsidies, tax breaks, secret deals, lax regulation, and oversight and rules that rig the economy.³⁴

The Cato Institute identified \$98 billion in “corporate welfare” in the budget of the federal government in fiscal year 2012.³⁵ As just one example, the farm bill has been loaded with egregious government handouts to the wealthy. The federal government paid a total of \$261.9 billion for agricultural subsidies between 1995 and 2010. These funds do not, for the most part, benefit small family farms. The largest 10% of farms received an average of \$30,751 per year in subsidies, whereas the bottom 80% received an average of \$587 per year, with 63% of farms receiving nothing. In 2009, 62% of agricultural subsidies went to large-scale commercial farms with gross annual sales of \$250,000 or more. Billions of dollars in subsidies have gone to wealthy owners of “farmland” not being used for farming.³⁶

Shifting attention from the federal government to state and local governments, an even more extensive system of handouts exists in states and local municipalities to lure companies to move

32 Joseph E. Stiglitz, *The Price of Inequality: How Today's Divided Society Endangers Our Future* (New York: W. W. Norton, 2012), 32, 39–41, 49–52, 320, n. 5; Joseph E. Stiglitz, *Freefall: America, Free Markets, and the Sinking of the World Economy* (New York: W. W. Norton, 2010), 193; David Cay Johnston, *Free Lunch: How the Wealthiest Americans Enrich Themselves at Government Expense (and stick you with the bill)* (New York: Portfolio, 2008), 237–42.

33 Negotiating for the lowest possible prices is standard practice when any business purchases in bulk. Dean Baker, *The Savings from an Efficient Medicare Prescription Drug Plan* (Washington, DC: Center for Economic and Policy Research, Jan 2006); Joseph E. Stiglitz, “Information and Change in the Paradigm in Economics,” *American Economic Review* 92 (2002): 460–501; “Of the 1%, By the 1%, For the 1%,” *Vanity Fair*, Mar 31, 2011, accessed July 14, 2012, <https://www.vanityfair.com/news/2011/05/top-one-percent-201105>; Stiglitz, *The Price of Inequality*, 48–49; Johnston, *Free Lunch*, 237–42.

34 Johnston, *Free Lunch*, 286–87.

35 Tad DeHaven, “Corporate Welfare in the Federal Budget,” Policy Analysis 703, Cato Institute, July 12, 2012, accessed Sept 15, 2017, <https://www.cato.org/publications/policy-analysis/corporate-welfare-federal-budget>.

36 “Farm Income and Cost: Farms Receiving Government Payments,” US Department of Agriculture Economic Research Service, accessed July 28, 2015, <http://www.ers.usda.gov/Briefing/FarmIncome/govtpaybyfarmtype.htm>; Stiglitz, *The Price of Inequality*, 49–52, 320, n. 54.

operations or manufacturing facilities, warehouses, or retail stores to their state or city.³⁷ These incentives include tax breaks and tax holidays, grants, subsidized low-interest loans, and free land. Sales tax exemptions allow favored companies to keep for themselves the local sales taxes collected from customers. These economic packages shrink the tax base for education and economic infrastructure investments, which benefit all employers, as well as transfer money from taxpayers to favored businesses and undermine market competition and efficiency by favoring some businesses over others.³⁸

Two examples illustrate what is happening literally hundreds of times each year across the nation. The first is the city of Buffalo's deal with Bass Pro Shops, providing a minimum subsidy of \$90 million. The city provided a prime historic waterfront site at the mouth of the Erie Canal and allowed Bass Pro Shops to keep what was collected in municipal sales taxes from the store to pay its construction costs. The city spent millions of dollars to relocate a light rail station a few blocks closer to the store, and provided a marina so Bass Pro Shops could display boats and allow customers to take test rides. The second example is the state of Wisconsin's August 2016 offer of the largest relocation incentive package to date, worth three billion dollars, to Taiwan-based Foxconn. Though the full amount will be given only if the company creates 13,000 jobs, Foxconn will receive \$1.35 billion to build their plant even if they never expand beyond 3,000 jobs.³⁹

Johnston lambasts Wal-Mart as kings of this kind of "corporate socialism." The company has been the beneficiary of bundles of public money: free land, long-term leases at below market rates, local incentives that allow stores to collect and then pocket sales taxes, workers trained at government expense, and government-sponsored industrial revenue bonds, which cost much less in interest than the corporate bonds the market economy uses to raise money. Most insidious of all, subsidies allow Wal-Mart to undercut their competition by charging lower prices than locally-owned, but not government subsidized, department stores.⁴⁰

To identify all of the ways in which the United States economic system is a "rigged economy," with the system gamed in favor of the most powerful, would require a book-length treatment that is beyond the parameters of this article.⁴¹ In addition to the corporate subsidies already indicated, I

37 The millions of dollars of relocation and retention incentives, offered to hundreds of companies annually, are documented in Greg LeRoy, Kasia Tarczyska, Leigh McIlvaine, Thomas Cafcas and Philip Mattera, "The Job Creation Shell Game: Ending the Wasteful Practice of Subsidizing Companies that Move Jobs From One State to Another," a publication of Good Jobs First, Jan 2013, accessed Feb 2, 2013, <http://www.goodjobsfirst.org>.

38 Relocation incentives divert state economic development resources from helping companies expand or start up, where virtually all the job creation action actually is. Kenneth P. Thomas, "The Sources and Processes of Tax and Subsidy Competition," in *Reigning in the Competition for Capital*, ed. Ann Markusen (Kalamazoo, MI: W. E. Upjohn Institute for Employment Research, 2007), 43–56; Kenneth P. Thomas, "Investment Incentives and the Global Competition for Capital," *Columbia FDI Perspectives*, no. 54, Dec 30, 2011, accessed Jan 15, 2013, ed. Karl P. Sauvart and Jennifer Reimer, <http://www.vcc.columbia.edu/content/investment-incentives-and-global-competition-capital>; Johnston, *Free Lunch*, 86–90, 99–104.

39 Johnston, *Free Lunch*, 95–109, 121–23; Joe Mullin, "Wisconsin Lawmakers Vote to Pay Foxconn \$3 Billion to Get New Factory," *Ars Technica*, Aug 18, 2017, accessed Aug 21, 2017, <https://arstechnica.com/tech-policy/2017/08/wisconsin-lawmakers-vote-to-pay-foxconn-3-billion-to-get-new-factory/>; Julia Horowitz, "It's Official: Foxconn Will Get \$3 Billion to Build a Plant in Wisconsin," *CNN Money*, Sept 19, 2017, accessed Dec 26, 2017, <https://money.cnn.com/2017/09/18/news/scott-walker-signs-foxconn-deal/index.html>.

40 Johnston, *Free Lunch*, 95–109, 121–23.

41 A prime example is Brink Lindsey and Steven M. Teles, *The Captured Economy: How the Powerful Enrich Themselves, Slow Down Growth, and Increase Inequality* (New York: Oxford University Press, 2017). Their argument reinforces the one made in this segment of the article. They make the case that the wealthy and powerful have captured the policymaking process and rigged the economic game in their favor, resulting in regressive regulations that distribute wealth and income upward, and do so in ways that stifle the real wealth-creating dynamism of a market economy.

mention several other deep systemic distortions. The exponential rise of executive compensation, at a time in which wages for the average worker in major corporations have stagnated or shrunk, has less to do with substantial increases of productivity on the part of chief executives and more to do with corporate governance laws that grant executives the *de facto* power to set their own compensation. Indeed, little evidence exists of correlation between the size of executive compensation packages and actual stronger returns to shareholders.⁴²

Another distortion involves the government bailout of major financial institutions after the economic crash of 2008—“corporate welfare” on a grand scale. Jeffrey Madrick has called attention to the rank hypocrisy of powerful persons in the financial industry, calling for deregulation and railing against government intervention when, in fact, they have welcomed repeated government intervention to bail out major financial institutions over the years. Government bailouts are a serious distortion of real free market incentives, as lenders who know they will likely be saved from bearing the full consequences of their mistakes take excessive risks. Or, as Robert Reich frames the issue, arrangements that confer all upside benefit on private investment and all downside risk on the public are bound to stimulate great feats of entrepreneurial daring.⁴³

William Schaub argues that those with power manage to avoid the discipline of the market as a result of state intervention to tilt markets in their favor, whereas those without power are exposed to the sharpest edges of market discipline.⁴⁴ For example, trade agreements negotiated by representatives of the US government have sought to make it easier for corporations based in the United States to relocate manufacturing operations abroad in search of “cheap labor.” But no trade agreement has required trading partners to establish higher minimum wages in order to protect US workers from competition from laborers willing to work at a tiny fraction of US workers’ pay.

Similarly, the rules of the game are written to protect the profits of pharmaceutical companies. Prescription drug prices are higher in the United States than other parts of the world, in part because of excessively lengthy drug patents and also because of favorable legislation, for which the pharmaceutical industry lobbied, that makes it illegal for Americans to purchase cheaper versions of the same drugs from foreign pharmacies, shielding drug companies from competition. These excessive profits are “rents” that come at the expense of consumers paying higher prices, approximately \$3.5 billion more each year than would be the case with real market competition.⁴⁵

42 Michael Jenson and Kevin Murphy, “Performance Pay and Top-Management Incentives,” *Journal of Political Economy* 98 (1990): 225–64; Stiglitz, *The Price of Inequality*, 3, 21, 31, 42, 65–67, 308–9, n. 87 and 316, n. 24; Baker, *Rigged*, 132–37; Johnston, *Free Lunch*, 205–6, 225–26, 270; Ric Marshall and Linda Eling-Lee, “Are CEO’s Paid for Performance? Evaluating the Effectiveness of Equity Incentives,” MSCI (New York, NY: MSCI, 2016), accessed Nov 20, 2017, <http://www.msci.com/documents/10199/91a7f92b-d4ba-4d29-ae5f-8022f9bb944d>; Lawrence Mishel and Alyssa Davis, “Top CEOs Make 300 Times More than Typical Workers,” Economic Policy Institute, June 21, 2015, accessed July 5, 2015, <http://www.epi.org/publication/top-ceos-make-300-times-more-than-workers-pay-growth-surpasses-market-gains-and-the-rest-of-the-0-1-percent/>; see also Lucian Bebchuk and Jesse Fried, *Pay Without Performance: The Unfulfilled Promise of Executive Compensation* (Cambridge, MA: Harvard University Press, 2006).

43 Robert Reich, *Supercapitalism: The Transformation of Business, Democracy, and Everyday Life* (New York: First Vintage Books, 2007), 68; Jeffrey Madrick, *Age of Greed: The Triumph of Finance and the Decline of America, 1970 to the Present* (New York: Alfred A. Knopf, 2011), x; Stiglitz, *Freefall*, xiv, 7, 15–16, 38–43, 49–50, 115–18, 131–32, 135, 145–46, 163; Robert Weissman, James Donohue, et al., “Sold Out: How Wall Street and Washington Betrayed America,” Consumer Education Foundation, Mar 2009, 31–32, 38–43, 115–16, 131–32, 135, 145–46, accessed Nov 11, 2012, http://www.wallstreetwatch.org/reports/sold_out.pdf; Joseph E. Stiglitz, “Capitalist Fools,” *Vanity Fair*, Jan 2009, accessed Aug 15, 2017, <http://www.vanityfair.com/magazine/2009/01/stiglitz200901>.

44 William E. Schaub, “The Cliches of Economic History,” *Counterpunch*, Oct 26, 2011, accessed Dec 1, 2012, <https://www.counterpunch.org/2011/10/26/the-cliches-of-economic-history/>.

45 Robert Reich, *Saving Capitalism: For the Many, Not the Few* (New York: Vintage Books, 2015), 14–15, 23–26.

Christian formation, discipleship, and the priorities of Jesus

To be united with Christ is also to be drawn into the Reign of God, the new creation that Jesus inaugurated. Though the fullness of this kingdom is yet to come, the church is called to live and embody this new creation, to be a “living performance” of the Kingdom of God. This involves learning new practices and virtues and new ways of “seeing” and making sense of the world in the light shed by the gospel narratives of Jesus. The purpose of disciple-making and Christian formation is to produce communities of Christians whose lives are conformed to the shape of the Kingdom of God lived and preached by Jesus. This task requires deep attentiveness to the narrated words and deeds of Jesus in their concrete specificity.

In the four gospels, Jesus is actively concerned about healing and deliverance for the poor and destitute and those on the margins of society. Jesus was constantly engaged in aggressive conflict with the political and economic powers that were destroying the lives and livelihoods of the people of his day. Burdensome Roman taxation, combined with predatory lending by the economic elite—the owners of the great estates—meant small landowners were losing their ancestral lands and being plunged into poverty and often debt slavery. Part of Jesus’ resistance to these oppressive powers was his active defiance of a distorted interpretation of the law of Moses that functioned to justify these gross disparities between the wealthy few and the impoverished many. By emphasizing meticulous forms of ritual purity and de-emphasizing those parts of the law that called Israelites to take care of the economically vulnerable and forgive the debts of the poor,⁴⁶ the wealthy found a way to interpret their wealth as God’s blessing for their scrupulous attention to the details of ritual purity. The sufferings of the poor were interpreted as divine punishment for their inability to keep up with the burdensome proliferation of purity regulations. Through his healings, public fellowship meals with persons castigated as unclean and sinners, healings on the Sabbath day, and parables such as the story of the Rich Man who ends up in Hades and impoverished Lazarus who winds up in paradise (Luke 16:19–31), Jesus was a scathing critic of a false and deceptive religious ideology that justified predatory economic behavior.

Interpreting the world truthfully, exposing “deceptive philosophies” of the rulers of this world

St. Paul warned against being taken captive—being enslaved—by “hollow and deceptive philosophy” (Col 2:6–8). He contrasted the wisdom of God with the false wisdom of the “rulers of this present age” who crucified Jesus (1 Cor 2:6–8). The perennial temptation faced by Christians is the all-too-easy assumption that the basic patterns of the social order “we” inhabit are good and not deeply damaged by sin. Integral to the church’s faithful witness is truthful speech that exposes mechanisms by which this world’s powers seek to sanction practices that enslave, diminish, and damage human persons. The rhetoric of market fundamentalism is a deceptive philosophy that serves to constrain our moral imagination. Faithfulness requires us to puncture the façade generated by market fundamentalism that would have us believe that all market outcomes are good, just, or desirable.

Capitalist markets are human creations; however, the tendency of much economics discourse is to imagine the market and market forces as natural. This position functions to shield market

46 Jesus was crucified because he spent the final week of his life as a prophetic protest against the economic exploitation and injustice perpetuated by the temple establishment, which he condemned as “a den of robbers” filled with officials who “devour widows’ houses” (Mark 11:15–17; 12:38–44). William H. Herzog, *Jesus, Justice, and the Reign of God: A Ministry of Liberation* (Louisville, KY: Westminster/JKP, 2000), 90–93, 102–4, 107, 121–23, 136–37, 167–68, 183–85, 189, 193, 241; Martin Goodman, *The Ruling Class of Judea: The Origins of the Jewish Revolt Against Rome, AD 66–70* (Cambridge: Cambridge University Press, 1987), 57.

outcomes from moral evaluation. An example is Harvey Bunke's defense of corporations operating factories in Mexico's maquiladora sector. He acknowledged the companies were there in order to take advantage of cheap labor, lax environmental standards, and weak worker health and safety standards. Bunke recognized and lamented the tragic suffering of workers whose meager salaries did not lift them out of poverty, squalor, and malnutrition. Yet he dismissed the validity of moral criticism by religious groups as naïve because, he claims, as if self-evident, "market forces are as natural and inexorable as the law of gravity."⁴⁷

Another maneuver designed to prevent moral evaluation of market outcomes is the oft-repeated claim that voluntary economic exchanges are, by definition, just. No one, as argued, would freely choose to engage in an economic transaction, whether to buy or sell goods or services or to hire a worker or to accept a job unless both parties found it beneficial to engage in the transaction.⁴⁸ On this basis, Robert Sirico has opposed minimum-wage laws because such laws "require the coercive hand of government to interrupt the voluntary actions of people acting in the free market," telling a person without a job "that he or she cannot voluntarily negotiate a salary or wage with anyone he or she wants to."⁴⁹ However, this line of argumentation renders grotesque forms of exploitation beyond moral censure, and does not recognize the tragic reality of "desperate exchanges." Sirico fails to recognize the enormous power asymmetry that most workers face, especially in times of high unemployment. Such persons have very little bargaining power when it comes to wages and working conditions. As Albino Barrera, OP, has argued, sometimes markets generate "economic compulsion." In some circumstances, markets are extremely harsh, forcing persons to make unpalatable choices no reasonable person would make under normal conditions. In the United States, middle-aged persons who have lost family-supporting jobs often take jobs at much lower wages and few benefits. Far too many families in the two-thirds world rely on child labor to supplement meager household incomes and, because of the imperative to survive, condemn their children to a lifetime of illiteracy and crushing poverty.⁵⁰ William Cavanaugh describes the conditions of the women who worked in a factory sewing clothes for North American designer brands in the free-trade zone in Honduras. These women worked for abysmal wages in twelve-hour shifts, six days a week, with mandatory *unpaid* overtime. Work conditions included sexual harassment, compulsory pregnancy tests, abusive supervisors, random searches, air filled with textile particles, and drinking water contaminated with raw sewage.⁵¹ Technically, the women were not coerced to accept jobs with these wages and working conditions. But the only persons who would "choose" such conditions are those desperate to survive with no better choices available.

The church is called by God to be a community of moral discernment in order to interpret the world in the light of the testimony of Scripture, read with the story of Jesus as the privileged center. This mission means speaking truthfully and exposing deceptive rhetoric for what it is. Not all market outcomes are good, just, or desirable. The notion that unfettered markets always generate results that are socially optimal or beneficial is a fantasy. The power of markets to coordinate human activity, Charles Lindblom notes, is amazing. But, as Jeffrey Sachs points out, markets have

47 Harvey C. Bunke, "In Search of Gold and Sanctuary in Tijuana," *Business Horizons* 35 (Jan–Feb 1992): 3–12.

48 Jay Richards argues that any exchange which is voluntary results in a win for all. Jay Richards, *Money, Greed, and God: Why Capitalism is the Solution and Not the Problem* (San Francisco: HarperOne, 2010), 60–68.

49 Robert Sirico, "How Much Impact from Higher Minimums?" *Washington Times* (Feb 3, 1995); cited in Daniel Rush Finn, "Nine Libertarian Heresies," *Journal of Markets and Morality* 14 (2011): 491.

50 Albino Barrera, OP, *Economic Compulsion and Christian Ethics* (Cambridge: Cambridge University Press, 2005), xi, 14.

51 William Cavanaugh, *Being Consumed: Economics and Christian Desire* (Grand Rapids, MI: Eerdmans, 2008), 40.

no inherent moral character. If this power is not guided by deeper moral and social values and harnessed to ensure that markets work to the benefit of most persons, markets will often result in human misery. Many persons who work long hours are left in dire poverty. Left to their own devices, or more accurately, structured in certain ways, markets can concentrate wealth in the hands of the few, eroding anything resembling equality of opportunity for the many. Without protections, market outcomes have often resulted in the passing of environmental costs to future generations, in abusive workplaces, and in products harmful to consumers.⁵²

When it comes to market outcomes, a major concern in the present moment is the exponential rise of economic inequality over the course of the past thirty-five years. Some degree of economic inequality is desirable because greater rewards should go to those who work harder and longer than others, or to those who make positive social contributions through their labor, creativity, and innovation. The problem is the extent and magnitude of inequality. The share of income, not including capital gains, going to the top 1% climbed from 8.2% in 1980 to more than 20% today. In 1980, the bottom 50% received 18% of the nation's income. In 2013, the bottom half received only 12%. Shifting the focus from income to net worth, the wealthiest 1% has a higher net worth than the bottom 90%. The last time America had this degree of economic inequality was on the eve of the Great Depression.⁵³

The United States economic system is built on the labor of the working poor. Among the world's thirty-four modern economies, the United States ranks second in the number of workers earning low wages. One in four employed Americans in 2010 was classified as a low-wage earner. A large number of the poor work full-time, sometimes sixty or more hours each week, but do not earn enough to lift themselves out of poverty. Wages at the bottom have dropped dramatically when adjusted for inflation. Between 2007 and 2012, wages for the entire bottom 70% of the wage distribution fell, despite productivity growth of 7.7%. Growing numbers of Americans now live on the economic precipice. An illness, loss of a job, or auto accident can push families over the edge. Forty million Americans, 12.7% of the population, are living in poverty. With the shredding of social safety nets since 1981, America's worsening conditions at the bottom mean that among modern nations, the United States has the highest level of childhood poverty, with at least one-fifth of American children living in poverty.⁵⁴

52 Charles Lindblom, *The Market System: What it is, How it Works, and What to Make of it* (New Haven, CT: Yale University Press, 2001), 13–14; Sachs, *The Price of Civilization*, 35–44; Block, “Reframing the Political Battle.”

53 Joseph E. Stiglitz, “Inequality is Holding Back the Recovery,” *New York Times* Opinionator Blog, Jan 19, 2013, accessed Jan 20, 2013, <http://opinionator.blogs.nytimes.com/2013/01/19/inequality-is-holding-back-the-recovery/>; Stiglitz, *The Price of Inequality*, 6, 21–26, 295–96, n. 7; see also Thomas Piketty, *Capital in the Twenty-first Century*, trans. Arthur Goldhammer (Cambridge, MA: The Belknap Press, 2014); Nick Hanauer, “The Pitchforks are Coming ... For Us Plutocrats,” *Politico*, July/Aug 2014, accessed on July 18, 2017, http://www.politico.com/magazine/story/2014/06/the-pitchforks-are-coming-for-us-plutocrats-108014.html#_U_03avtJTIU; Reich, *Saving Capitalism*, xi; Ian Dew-Becker and Robt. J. Gordon, “Where Did the Productivity Growth Go? Inflation Dynamics and the Distribution of Income,” paper presented at the 81st meeting of the Brookings Panel on Economic Activity, Washington, DC, Sept 8–9, 2005; cited by Bartels, *Unequal Democracy*, 11, 16–17.

54 David Cay Johnston, *The Fine Print: How Big Companies Use “Plain English” to Rob You Blind* (New York: Portfolio/Penguin, 2012), 20, 23; Steve Fraser, *The Age of Acquiescence: The Life and Death of American Resistance to Organized Wealth and Power* (New York: Little, Brown, and Company, 2015), 252; Stiglitz, *The Price of Inequality*, 10; Robert Reich, “The Rise of the Working Poor and the Non-Working Rich,” *The Huffington Post*, Mar 30, 2015, accessed Apr 15, 2015, http://www.huffingtonpost.com/robert-reich/working-poor-non-working-rich_b_6973822.html; Heidi Shierholz and Lawrence Mishel, “A Decade of Flat Wages: The Key Barrier to Shared Prosperity and a Rising Middle Class,” Economic Policy Institute, Aug 21, 2013, accessed May 27, 2015, <http://www.epi>

Social safety nets

The vicious underside of the market fundamentalist social imagination and the deceptive rhetoric it generates is that those who do not succeed economically must be blamed. This is necessary in order to protect the “article of faith” that market outcomes are always just. In his 2017 report on poverty in the United States, United Nations Special Envoy Philip Alston described imaginations enslaved by this false and deceptive narrative when he spoke of the caricature sold to the United States electorate by the demagoguery of politicians who speak of the poor as losers and scammers who could easily achieve “the American dream” but choose not to work hard enough. Alston’s report includes the following observation:

Welfare recipients are assumed to be living high on the hog. Some politicians and political appointees with whom I spoke were completely sold on the narrative of such scammers sitting on comfortable sofas, watching color TVs, while surfing on their smart phones, all paid for by welfare. I wonder how many of these politicians have ever visited poor areas, let alone spoken to those who dwell there ... In every society, there are those who abuse the system, as much in the upper income levels as in the lower. But the poor people I met from among the 40 million living in poverty were overwhelmingly either persons who had been born into poverty, or those who had been thrust there by circumstances largely beyond their control such as physical or mental disabilities, divorce, family breakdown, illness, old age, unlivable wages, or discrimination in the job market.⁵⁵

The kind of rhetoric Alston counters here, the underside of market fundamentalism, tends to castigate all social welfare programs without exception. While their flaws should be corrected, these programs have made a difference for many who are poor. As Joseph Stiglitz argues, social security has almost eliminated poverty among the elderly. The earned income tax credit, which supplements the income of poor working families, lowers the poverty rate by 2%. Housing subsidies, food stamps, and school lunch programs all have positive effects in lowering poverty. The provision of health insurance for poor children can bring benefits to millions and help ensure that these children have a lower risk of being handicapped for life by an illness or other health problem. In the absence of government support, children of the poor would not be able to afford basic health care and nutrition, let alone the education required to acquire the skills necessary to escape poverty. Social safety nets are not intrusions upon the purity of free markets. This statement is especially true in an economy in which “intrusions” that result in regressive income distributions are already pervasive.⁵⁶

If we apply Jesus’ understanding of the Old Testament laws governing conduct on the Sabbath Day to economic realities, bearing in mind the premium Jesus placed upon care for the poor and destitute, we will conclude that markets should be made for people, not people for markets. As a minimum moral baseline, this stance calls for a position of moral clarity that insists persons should not be destroyed by economic realities. As Kashik Basu argues, some persons in the market may be less productive than other market participants. Yet, being less productive should not be a justification for being cast into extreme poverty, suffering, food deprivation, or denied medical help.⁵⁷

.org/publication/a-decade-of-flat-wages-the-key-barrier-to-shared-prosperity-and-a-rising-middle-class/; Philip Alston, “Statement on Visit to the USA,” United Nations Human Rights Office of the High Commissioner, Dec 15, 2017, accessed Dec 21, 2017, <http://ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=22533&LangID=E>; Christopher Ingraham, “Child Poverty in the U.S. is among the Worst in the Developed World,” Wonkblog, *The Washington Post*, Oct 29, 2014, accessed Mar 15, 2015, <http://www.washingtonpost.com/blogs/wonkblog/wp/2014/10/29/child-poverty-in-the-u-s-is-among-the-worst-in-the-developed-world/>; Stiglitz, “Of the 1%, By the 1%, For the 1%.”

55 Alston, “Statement on Visit to the USA.”

56 Stiglitz, *Price of Inequality*, 31, 74; Sachs, *The Price of Civilization*, 35–44.

57 Basu, *Beyond the Invisible Hand*, 5.

But what about the argument set forth by many Christians to the effect that government taxation for even the most minimal redistributive purposes, such as food stamps, government-provided health insurance for children from impoverished families, or free school lunches, is theft, a violation of the eighth commandment, with government playing “Robin Hood” in a coercive and confiscatory manner?⁵⁸ The problem is this argument ignores a basic economic reality. No individual’s income and wealth are earned *ex nihilo*, owing only to the individual’s efforts, creativity, skills, and training. All wealth creation and earnings depend upon the economic infrastructure provided by tax dollars and government spending. The United States economy is massively subsidized by public spending. If any nation wishes to have a competitive economy in today’s information-based, post-industrial, global market, massive public investments in economic infrastructure, education, and technology are required. Since World War II, the United States economy has been one of the most powerful in the world, owing to public investment in economic infrastructure such as the interstate highway system, the national power grid, ports, canals, and railroads. After the stock market collapse of 1929, public confidence in the banking system was dependent upon the government insuring bank deposits. Robert Reich points out the economically transformative impact of government spending by the Department of Defense and NASA that developed the internet and the satellite technology behind cable television and GPS systems. Billions of federal research and development dollars led to the invention of semiconductors, hard plastics used in automobiles and appliances, and a vast array of precision gauges and sensing devices. Government provided half the research and development funding for the nation’s telecommunications industry, including fiber optics, satellites, and automated switching equipment.⁵⁹

Markets do not exist, except in the most rudimentary forms, unless constituted by a legal framework provided by government. For example, the very possibility of organizing a business as a limited liability company or as a corporation, which facilitates entrepreneurship because it enables persons to start new business ventures without risking personal assets, depends on a legal framework that determines what kinds of business enterprises will be allowed to exist, along with the rights and privileges of these forms of organization. Chuck Collins and Mary Wright argue that the United States has a dynamic and robust economy because we have order, stability, a predictable system of rules for investing, a highly-developed framework of property law, and mechanisms to resolve disputes. An educated and skilled workforce is a result of public investment in public education at the primary, secondary, and post-secondary levels. Individuals who achieve economic success are never “self-made persons” but are indebted to public investments that have made the United States a remarkably fertile soil for wealth creation.⁶⁰ For these reasons, the argument that all government taxation to benefit persons in need is illegitimate confiscation is massively simplistic. Any individual who succeeds is also the beneficiary of prior taxation and public spending that created the economic infrastructure that made that success possible.

Concern for the poor and economically vulnerable also calls us to expose the deceptive but pervasive belief that the poor are the “takers”—the primary beneficiaries of government social programs—while the rest of us earn our own way. In reality, almost all Americans are beneficiaries of government social programs. Christopher Faricy points out that both major political parties have increased federal spending for social welfare programs over the past forty years. Alongside the public welfare state is the private welfare state, which includes employment-based social programs receiving government subsidies, such as 401k pension plans, employment-based IRAs, employer-sponsored health insurance plans and private health savings accounts,

58 This was the argument put forth in an email from Truth in Action Ministries, accessed Apr 21, 2012, http://www.truthinaction.org/index.php/how-can-america-survive-campaign/?utm_source=TIA_Import_11_21_2011&utm_campaign=e720b82b1d-4-19-12+HCAS+%234&utm_medium=email.

59 Reich, *Supercapitalism*, 42–43, 57–59.

60 Collins and Wright, *The Moral Measure of the Economy*, 165.

employment-based defined-contribution plans, as well as deductions for retirement plans for the self-employed. The principal subsidy used to finance private benefits is the tax expenditure, better known as the “tax break.” For example, the home mortgage interest deduction is a tax expenditure that benefits almost all homeowners. Tax expenditures are similar to actual public spending, as they are a politically determined use of federal revenue aimed at government-approved activities and groups that influence the incentives and behaviors of people in the market. The only real difference is that, with direct federal spending, the government collects the money first in the form of taxes and reallocates the money elsewhere. With tax expenditures, government agrees not to collect the money, but only if it is put to government-approved uses. Though favored by political conservatives, tax breaks, no less than direct federal spending, mean that the government does not leave matters to the free market, but rather directs resources to politically favored uses.⁶¹

Most tax expenditure programs are “upside-down subsidies,” because households with higher incomes receive more benefits. The lowest 40% of the population receives only 8 to 10% of total tax expenditure benefits. The middle 20% receives only 16%. The top 20% receives 51% of the total tax benefits from tax expenditures. The top 1% receives 16%, as much as the entire middle 20%. Tax expenditures are also a government subsidy for certain businesses. For example, banks, private equity firms, and investment houses, which sell 401k(s) and 403b(s) to self-employed individuals and to businesses with employment-based retirement programs, benefit from tax expenditures that subsidize citizens in purchasing private retirement programs.⁶²

Conclusion

Treating capitalist markets as if they were sacred and unquestionable is a form of idolatry. Kathryn Tanner points out that the capitalist markets are neither part of the fabric of nature or creation, nor inevitable. They are human constructs—works of human hands. As such, they are not exempt from normative evaluation. Tanner rightly contends that an economic system requires reasons to justify its existence in the current form in which it is organized and structured. Markets deserve to exist only if they are good and serve human purposes. For Christians, theological beliefs about human nature and human values are pertinent to the normative evaluation of capitalist markets. We should, on theological grounds, assess the respects in which they are good or bad and suggest ways to make them better—more ethical, humane, and conducive to the common good.⁶³

Urgent questions about faithfulness in the economic arena remain that cannot be addressed in this short article. In particular, one must ask how Christians should participate in the current economic system, in spite of its distortions, in ways that are faithful to Christ and are as conducive to human well-being as possible. For example, are there products Christians should not purchase, such as chocolate produced with child slavery as part of the supply chain? Are there occasions when Christians should boycott products or companies? One could ask about the ethical value of purchasing more food from Community Supported Agriculture farms and other local farmers instead of corporate agribusiness, or of moving bank accounts from large corporate banks to local credit unions. And, if space allowed, a discussion about the positive options free markets open would be fruitful, these positive options being one of the reasons I am not opposed to free markets as such. The possibilities are myriad for creating businesses that pay just wages, that seek to have positive social impacts on local communities, that provide employment opportunities for persons re-establishing their lives after serving time in prison or for persons with physical or mental disabilities.

61 Christopher G. Faricy, *Welfare for the Wealthy: Parties, Social Spending, and Inequality in the United States* (Cambridge, UK: Cambridge University Press, 2016), 15, 13–14.

62 Faricy, *Welfare for the Wealthy*, 12, 34–35.

63 Kathryn Tanner, “Is Capitalism a Belief System?” *Anglican Theological Review* 92 (2010): 617–18.

In this article, the focus has been restricted to one dimension of the church's witness. Christian economist Rebecca Blank provides insight for this task, pointing out that markets have many social benefits because they facilitate innovation and creativity and reward efficiency and hard work. But there are moral and social values Christians should care about, and publicly advocate, that cannot be provided by competitive markets. The church, she argues, should call attention to values such as the quality of our communities and relationships, as well as "the common good," not just individual liberty. And Blank strongly emphasizes the mission of God's people to advocate for the economic needs of the poor. All of this requires speaking out against market outcomes when they generate human misery.⁶⁴

The church's mission is first and foremost to be the church—to embody the way of Jesus Christ in our life together as God's people. Our primary citizenship is the Kingdom of God, and our primary communal identity should be the international body of Christ. The civic health of the nation is not the church's primary task or calling, but Christians are called to care for "the least of these" (Matt 25:31–46), and must challenge economic realities and the enslaved imaginations that contribute to injustice and suffering. Speaking truthfully about economic realities is integral to the church's faithful embodied witness. We may not be able to control social, political, and economic orders, but faithful witness can exert pressure on a society's moral, social, political, and economic imagination and vision, forcing injustices out into the open, and sometimes tipping the moral compass of a society in positive directions.

Therefore, Christian ecclesial communities should keep to the forefront the ethical questions that the rhetoric of market fundamentalism would suppress. Asking whether the value of individual liberty alone can provide the basis for a good society is important. Insisting that a good society ensures those who labor receive a just and living wage is important. Even if questions of the true *telos* of human life are not susceptible to definitive adjudication within a pluralistic society, we can continue to ask whether any social order can thrive without at least some common purposes, goals, and values. Above all, we are called to resist market outcomes that destroy human lives. In doing so, the church is called to speak and act in such a way as to remind the larger social order that people are not made for markets but, rather, markets were made for people.

Author biography

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64 Blank, "Viewing the Market Economy Through the Lens of Faith," 25, 52–53.