

Christianity and Capitalism

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Rewards and Punishments

A common opinion in recent years holds that rewards and punishments represent an unsound means of dealing with children or adults. We are told that rewards produce an unhealthy motive in those who win and are traumatic for those who lose. It is also said that punishment is merely vengeance. On these premises some educators have eliminated grading as well as other forms of rewards and punishments. This hatred of rewards and punishment is one form of the attack on the interrelated concepts of *competition* and *discipline*. Whether in the spiritual realm, with respect to heaven, or in the academic world for grades, or in the business world for profits, rewards and punishments (or penalties) motivate people (*Ps. 19:11; 58:11; 91:8; Mt. 5:11; etc.*). This motivation leads to competition, and the competition requires discipline under God (*Heb. 12:1-11*). And a result of honest competition is character.

But, some people object, why not by cooperation? Isn't cooperation a superior method to competition? But, as stated by Campbell, Potter, and Adam in *Economics and Freedom*, "in a free market, voluntary cooperation and competition are names for the same economic concept." 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 "pull," compulsion, and force replace the free, cooperative operations of the market.

Ultimately, rewards and punishments presuppose two things. First, they presuppose God, Who has established certain returns in the form of rewards and penalties in the very nature of the universe as well as in moral law (*Ex. 20:5, 6; Jud. 5:20*). Thus, any attack on the idea of rewards and punishments is an attack on God's order. Second, rewards and punishments presuppose liberty as basic to man's condition. Man is free to strive, to compete, to work for rewards and to suffer penalties. Thus, any attack on these concepts is also an attack on liberty; it is an insistence that a leveling equality together with total controls is a better condition for man than liberty is or can be. St. Paul declared, "Where the Spirit of the Lord is, there is liberty" (*2 Cor. 3:17*). God and liberty are inseparable. And liberty presupposes and requires free activity; it has its striving, its rewards and punishments, its heaven and hell, its passing and its failure. These are the necessary conditions of freedom. The alternative is slavery. Slavery offers a very really form of security, but then so does death and a graveyard (*Dt. 30:15-20*). To respect rewards and punishment, competition, and discipline is to respect life itself, and to value character and self-discipline. It means, simply, choosing *life*: "therefore choose life, that both thou and thy seed may live" (*Dt. 30:19*).

Freedom Under God

One of the great founders of the American system was the Rev. John Cotton (1584-1652), who made basic to colonial government the premise that godly law and order means *limited power and limited liberty*. Neither man nor his civil governments have the moral right to unlimited power or to unlimited liberty. At all times it must be power and liberty under law and, ultimately, *under God* (*Dt. 17:14-20; Pr. 8:15, 16; 1 Kin. 2:1-4, etc.*).

But today we have demands for both unlimited power and unlimited liberty, which are mutually contradictory ideas. We also have the growing claim that liberty is not under law and under God, but *outside the law*. There are those who believe that they can only be free by denying the claims of all law and by affirming that true rights and true liberty mean a *freedom from law*.

The Biblical faith is that true law is a gift of God and the ground of man's freedom (*Dt. 16:20*). Law is the condition of man's life: just as man physically breathes air to live, so socially and personally his environment of life is law, which the grace of God enables him to have and to keep (*Ps. 119; Pr. 6:23*). Man can no more live without law than he can live without eating. The purpose of God's law is life; as Moses declared, "the Lord commanded us to do all these statutes...that he might preserve us alive" (*Dt. 6:24*). Man was created and is saved by God to live by law, for its discipline is "the way of life" (*Pr. 6:23*).

Here we have the great division. Americans, reared for some generations in the Biblical perspective, have seen freedom as life under God's law, but many today are asserting that freedom is escape from law.

The alternatives to freedom under God, to liberty under law, were declared clearly by Karl Marx. They are twofold. First, one can have anarchism, every man a law unto himself, with no law, and total "freedom" from any responsibility to anyone. Second, one can substitute that state for God, and the total law of the state replaces the law of God. Freedom then disappears and total statism or communism for man's "welfare" takes its place. This is a denial of liberty as a "bourgeois" ideal and a substitution of state-planned welfare for freedom as man's truer happiness.

Every attempt therefore to remove this republic from "under God" means that either anarchism or communism will surely result, whether planned or not by those who strike at God's place in American life. It is an inescapable alternative.

To restore true liberty, we must restore true law (*Is. 8:20*). The Bible speaks of "the perfect law of liberty" (*Jas. 1:25; 2:12*), because it views God's law as the very source and ground of man's liberty. We must abandon the dangerous idea that freedom means an escape from law: this can only be true if the escape is from communism, which is not true law but is *tyranny*. The word *tyranny* is an ancient Greek word with a simple meaning: it means secular or

human rule instead of law, instead of true freedom under God. The American system is neither anarchy nor tyranny but *freedom under God*.

Is Wealth Moral?

Much current writing infers that Jesus and the Bible speak against wealth as immoral. It is true that the Parable of the Rich Man (*Lk. 16:19-31*) shows us the rich man in hell and poor Lazarus in heaven, *but* the condemnation of the unjust rich man comes from rich Abraham in heaven. Again, while Jesus said, “It is easier for a camel to go through a needle’s eye than for a rich man to enter the kingdom of heaven” (*Mk. 10:25; Mt. 19:24*), the same chapter makes clear that Jesus meant that no man, rich or poor, can save himself: “With men this is impossible, but with God all things are possible” (*Mt. 19:26*). In other words, salvation is not a do-it-yourself job for anyone, rich or poor; it is God’s work and gift. Many rich men and women were among the saved ones close to Jesus (*Lk. 8:2-3; 19:1-19; 23:50-53*).

The Bible condemns fraudulently gained wealth but declares honest wealth a blessing. First, therefore, honest wealth is to be desired as a *blessing from God*. “The blessing of the LORD, it maketh rich [*i.e.*, materially wealthy], and he addeth no sorrow to it” (*Pr. 10:22*). The possession of wealth is *lawful* and is *protected* in the Ten Commandments by two commandments; “Thou shalt not steal” and “Thou shalt not covet” (*Ex. 20:15, 17; Dt. 5:19, 21*). Jesus confirmed this and assumed the lawfulness of wealth as a godly principle (*Mt. 25:14-30; Lk. 19:12-27; 16:1-8*). Jesus made clear that morally acquired wealth is a blessing from and under God, “*Seek ye first the kingdom of heaven and all these things will be added unto you*” (*Mt. 6:32f.; Lk. 12:30f.*), and there is no wrong in desiring it, if we move in terms of the priority of faith in, and obedience to, God.

Second, wealth is morally good, but it is a subordinate good, a means to a better life and not an end. It is too uncertain to be the goal of life (*Mt. 6:19f.*), and wealth can co-exist with poverty of soul (*Lk. 12:16-21; 14:18f.; Mt.6f.*). Thus, wealth has moral perils when it becomes primary rather than secondary in man’s life. It is not money which is the root of all evil, but “the love of money,” and the coveting after money with this perverted love is cited as sin by Paul (*I Tim. 6:10*). Socialists can be as guilty of this “love of money” as anyone else. Thus, riches and wealth can be dangerous if men make them the goal of life, if they idolize wealth.

The evil, then, is not in wealth as such but in the hearts of men, and to speak of wealth as immoral is a false *logic*, an insistence that things are immoral rather than man. But, as Paul wrote Titus: “Unto the pure all things are pure: but unto them that are defiled

and unbelieving is nothing pure; but even their mind and conscience is defiled” (*Tit. 1:15*). Thus, although immoral men can acquire and misuse wealth, it is their hearts and actions which are immoral, not wealth in itself. In its proper place, therefore, wealth is not only moral but also blessed, and it can be honestly desired, gained, and held, and is a benefit to all of society.

Capitalization Is the Product of Work and Thrift

Capitalization is the product of work *and thrift*, the accumulation of wealth and the wise use of accumulated wealth. This accumulated wealth is invested in effect in progress, because it is made available for the development of natural resources and the marketing of goods and produce. The thrift which leads to the savings or accumulation of wealth, to capitalization, is a product of *character* (*Pr. 6:6-15*).

Capitalization is a product in every era of the Puritan disposition, of the willingness to forego present pleasures to accumulate some wealth future purposes (*Pr. 14:23*). Without character, there is no capitalization but rather decapitalization, the steady depletion of wealth.

As a result, *capitalism is supremely a product of Christianity* and, in particular, of Puritanism which, more than any other faith, has furthered capitalization.

This means that before decapitalization, either in the form of socialism or inflation, can occur, there must be a breakdown of faith and character. Before the United States began its course of socialism and inflation, it had abandoned its historic Christian position. The people had come to see more advantage in wasting capital than in accumulating it, in enjoying superficial pleasures than living in terms of the lasting pleasures of the family, faith, and character.

When socialism and inflation get under way, having begun in the decline of faith and character, they see as their common enemy precisely those people who still have faith and character.

How are we to defend ourselves? And how can we have a return to capitalism? Capitalism can revive only if capitalization revives, and capitalization depends, in its best and clearest form, on that character produced by Biblical Christianity.

This is written by one who believes intensely in orthodox Christianity and in our historic Christian American liberties and heritage. It is my purpose to promote that basic capitalization of society, out of which all else flows, *spiritual capital*. With the spiritual capital of a God-centered and Biblical Faith, we can never become spiritually and materially bankrupt (*Pr. 10:16*).

Socialism and Inflation Both Decapitalize an Economy

Decapitalization means the progressive destruction of capital, so that a society has progressively less productive ability. Decapitalization is the dissipation of accumulated wealth (*Pr. 14:23*).

Capitalization is the accumulation of wealth through work and thrift. A free economy, capitalism, is an impossibility without capitalization (*Pr. 10:16*).

Some of the potentially wealthiest agricultural countries are importers of agricultural produce, such as Venezuela and Chile. The fishing-grounds off the Pacific Coast of South America are some of the richest known to the world, rich enough to feed the countries of that area:

Chilean fishermen cannot market fish properly, and dump marvelous catches of fish into the sea, because they have neither storage nor transport to take their fish to the markets. Thus, there is neither a lack of labor nor a lack of markets for the fish, but necessary capitalization to provide the facilities for bringing labor, produce and market together is lacking.

Much of the world is in the same predicament: it has the labor, the natural resources, and the hungry markets for its produce, but it lacks the necessary capital to make the flow of goods possible. Socialism tries to solve this problem but only aggravates it because it furthers the poverty of all concerned. Socialism and inflation both accomplish the same purpose: they decapitalize an economy.

Inflation succeeds when people have larceny in their hearts, and the same is true of socialism. Socialism is organized larceny; like inflation, it takes from the haves to give to the have-nots. By destroying capital, it destroys progress and pushes society into disaster.

As the products of capitalization begin to wear out, new capital is lacking to replace them, and the state has no capital of its own: it only impoverishes the people further and therefore itself by trying to create capital by taxation.

Every socialist state decapitalizes itself progressively.

Love They Neighbor-What Does It Mean?

A familiar Bible verse is often used by many to justify socialism and to attack the defense of property as “selfish.” But does the commandment, “Thou shalt love thy neighbor as thyself,” call for sharing the wealth, for welfare programs, and for one-world unity?

The main Biblical passages explaining this verse are Leviticus 19:15-18, 33-37; Matthew 19:18, 19; 22:34-40; and Romans 13:8-10. What do they tell us?

First, who is my neighbor? In Leviticus 19:33-37, Moses made it clear that our neighbor means anyone and everyone we associate with, including our enemy; and Jesus emphasized this in the parable of the Good Samaritan (*Lk. 10:29-37*), citing the Samaritan's mercy toward an enemy, a Jew.

Second, what does the Bible mean by *love*? The word *love* today is a term concerning feeling, feeling which is stronger than the "bonds" of law. The Biblical word *love* "is the of fulfilling the law" (*Rom. 13:10*). Moreover, love has reference to the fulfilling primarily of God's law; it relates to justice in the Bible, and it refers to God's law and God's court of law. The modern man who breaks either sexual or property laws in the name of love is thus lacking in love from the Biblical perspective, for love "is the fulfilling of the law."

Third, what laws are involved in loving our neighbor? According to Jesus (*Mt. 19:18-19*), and again emphasized by Paul (*Rom. 13:8-10*), to love our neighbor means to keep the second table of the Ten Commandments in relationship to him. This means "thou shalt not kill," or take law into your own hands, but you must respect your neighbor's God-given right to life. "Thou shalt not commit adultery," means we must respect the sanctity of our neighbor's home and family. "Thou shalt not steal" means we must respect our neighbor's (or enemy's) God-given right to property. "Thou shalt not bear false witness" means we must respect his reputation. And "Thou shalt not covet" requires an obedience to these laws in thought as well as in word and deed.

To "love thy neighbor as *thyself*" is thus the basis of true civil liberty in the Western world. It requires us to respect in all men *and in ourselves* the rights of life, home, property, and reputation, in word, thought, and deed. The Biblical word *love* has nothing to do with erotic love, which is anti-law. Biblical love "is the fulfilling of the law" in relationship to all men. It does not ask us to like all men, or to take them into our families or circles, or to share our wealth with them. The Bible simply says: love friend, enemy, and self by respecting and defending these God-given rights to life, home, property, and reputation for all. Modern "humanitarians" are thus too often guilty of breaking God's law in the name of an anarchistic love. Biblical love keeps the law.

The Author

Rousas John Rushdoony (1916-2001) was a well-known American scholar, writer, and author of over thirty books. He held B.A. and M.A. degrees from the University of California and received his theological training at the Pacific School of Religion. An ordained minister, he worked as a missionary among Paiute and Shoshone Indians as well as a pastor to two California churches. He founded the Chalcedon Foundation, an educational organization devoted to research, publishing, and cogent communication of a distinctively Christian scholarship to the world at large. His writing in the *Chalcedon Report* and his numerous books spawned a generation of believers active in reconstructing the world to the glory of Jesus Christ. Until his death, he resided in Vallecito, California, where he engaged in research, lecturing, and assisting others in developing programs to put the Christian Faith into action.

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