

CREATION

MANAGEMENT

The Economics of Earth Stewardship (1)

Economics and Christianity – Two Different Worlds?

The idea that the study of economic life belongs to a world quite different and separate from that in which we confess our Christian faith is prevalent in our time. Indeed it seems almost self-evidently so if we compare words like “level of employment”, “government-deficit”, “money supply” and “factors of production” with the well-known words of our confession: God the Father, the Cross, Resurrection of His only Son, and eternal life. Here we enter a “supernatural” world, whose value and significance are different from those of the “natural” world in which we study economics and do our daily labor. It may even seem a form of blasphemy to suggest these two worlds belong in fact to one realm. Did not Jesus Himself declare “My Kingdom is not of this world” (Greek: *cosmos*) (John. 18:36)?

It may be good to note here that such a specific speaking of two separate worlds, which in one way or another have to be related — and this can only be done *a posteriori*, and in a theological way — is itself already filled with hidden presuppositions. Whether we conclude the existence of two worlds or just one is very much dependent on the terminology that we use. If, for instance, I define the study of economic life as the rational inquiry into the public and measurable interaction of people with money and scarce resources and, at the same time, define Christian faith as the private trust-relationship of every individual soul with the living God of Christianity, then I have built in a threefold mutual exclusion of the two “worlds” of economics and Christianity simply by my choice of words. For “public” stands against “private”, and “measurable” stands against “immeasurable” and “invisible”, while rational inquiry stands against a (non-rational) trust-relationship.

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This insight is important. For it means that the many difficulties those Christians who want to bridge the supposed gap between their Christian faith and their daily economic life experience are perhaps not inevitable. It could be that they are nothing more than the natural outcome of a previous conceptual exclusion on both sides. And our suspicion that

this is true grows when we note that these mutually exclusive definitions and concepts usually spring from the sort of philosophy which is based on the immanent reliability and autonomy of human reason. There we find distinctions like rationalism and irrationalism, fact and value, positive and normative, nature and freedom, logic and faith. We are all more or less accustomed to those distinctions; but in fact they are all rooted in the deep desire to create a separate area of undeniable certainty *outside* the insecure and conflict-oriented area of religious convictions: that is, a world of science, which had to be protected at all costs from influences of the “irrational” world of private values. And so Economics, as a science, had to fall entirely within the bounds of this first world, while Christianity had to belong to the second. No wonder, that in this setting it was, and still is, quite difficult and burdensome to [39] bridge the gap between faith and science. For the gap owes its very existence to the human will to make division, to separate.

Let us try to formulate the same issue now in a more positive way. Christianity, seen biblically, stands or falls with the willingness of human beings to follow Christ in all their ways. It stands for the commitment to confess Him as the Word of God by Whom the *totality* of life was created. This view precludes the very possibility of separating my economic life, or my way of economic thinking, from my Christian faith. For as soon as I even try to do so, I begin to reject Him and serve idols. But if that is true from the viewpoint of your faith and mine, then it is also true from the viewpoint of economic life and economic science on this planet. Excluding faith and loyalty to Christ from economics can only distort our economic insights. Economics has to be from the outset “planetheonomics”, to be economics in the *real* sense at all.

Christian Economics and the Mandate of Stewardship

If the statement of the previous paragraph that economics and Christian faith have been artificially separated from each other is true, then somewhere and somehow this “separation” has left a scar, an indication that something which originally formed the living connection between the two has been removed. And we will have to find that link or “umbilical” — not only to make our supposition more acceptable, but also to *find* the key to the possible renewal of our economic insights in this turbulent time.

The word “economic” (or “economics”) itself may be a good starting point for our inquiry. For it refers directly to the content of economic knowledge as such, discrete from other kinds of human knowledge. *Oikonomia* is a well-known word found in the New Testament for instance in Luke 16:2 and 4 in the parable of the unjust steward. The steward is called *oikonomos* and is called to render account of his *oikonomia* (his management of the household—*oikos*) by his lord.

We already remark here elements which are no longer felt in the modern usage of “economic”. Firstly, the word is clearly used in a context of responsibility. It

presupposes a rendering of account. Secondly, it has a connotation of not being in ultimate control: the landlord is the owner. And thirdly, it is related etymologically to the word *nomos* meaning rule or law. There are *rules* which must be observed so that the household may be upheld and preserved.

Responsibility, acting on another's behalf, and care: three notions which we look for in vain in the foundations of modern economics. There we find efficiency, ultimate ownership and individual ownership as the dominant elements. Is this accidental? Probably not. If we look at another parable in which the role of steward/slave is mentioned (Luke 12:41), we see that the care expected from the steward relates not only to the preservation of the land and its fertility but to the continued possibility of a livelihood for the fellow slaves. Within *oikonomia* an "I/You" relationship (in Martin Buber's terminology) comes to the fore. For these neighbor-servants belong equally to the household of which care is to be taken. This all belongs to the area of economy, and not just and only to a specific kind of morality or ethics outside *oikonomia*.

Aristotle's **Ars Politica**, Chapter 1, can help us further in our inquiry. Not only because we find here the direct use of the word *oikonomike*, which stands for *the Art and Science of Good Household Management—Economics*, so to say—but also [40] because he draws a sharp distinction between *oikonomia* and *chrematistike*, the art of acquiring and accumulating money. Why are they so different?

Chremata are goods of use, but which may be desired for their value as a medium of exchange against money as well as for their intrinsic utility. So *chrematistike* comes in existence as standing in direct opposition to *oikonomike*, the art and science of good household-management. For *chrematistike* does not recognize limits. "Unlimited are...the riches (*ploutos*) resulting from this *chrematistike*. But the natural and real wealth exists in a stock (*thesaurismos*) of goods which are necessary for life and useful to the community..." And to this wealth there is a limit. "For the self-sufficiency (*autarkeia*) of those possessions which serve a good life is not without restrictions."¹

Now of course Aristotle should not be our ultimate guide to the science of economics. But it is surely not without significance that the modern meaning of words like "economic" and "economics" is not only different from, but even directly opposed to what Aristotle meant. The limitless quest for wealth in terms of money characterizes modern economics, rather than the maintenance of a restricted stock of necessary, useful goods. Moreover it provides food for thought that Aristotle stuck to the opinion that *oikonomia* can be very easily threatened and superseded by *chrematistike*. This happens in his view if the household or *polis*, in all its members, does not honor the limited place of the quest for

¹ The quotations are taken from Aristotle's **Politics**, Loeb Classical Library, pp. 1257 b.22-30, 1256 b27-3B, in **De Nacht van het Kapitaal** trans. by Arend van Leeuwen (Nijmegen, 1984) p.273

material wealth. The thrift for life — enemy of the goal of a good life — then leads the people astray to “seek in relation to wealth, and goods, and power, and honor, infinitely the excess.”²

Aristotle’s view on *oikonomike can* therefore be seen as an additional indication that something went wrong with the interpretation of the word “economics,” or even “political economy”, in the history of economic science. But not only that. His view also can help us to detect that removed part or umbilical which formed the living connection between the world of faith and the world of science. Obviously it is the recognition of the mandate or public duty of *stewardship*, a duty which forms the heart of Aristotle’s *oikonomia* which has been removed. For without that recognition, economic life becomes nothing more than a human effort to satisfy self-chosen needs or lusts. But with that recognition, economic behavior loses its autonomy and becomes a part of the totality of human life with its sin and its failures, but also with its openness to renewal and even redemption.

This becomes still more clear and lucid if we look to the possible *content* of the mandate of *stewardship*. This content can easily be derived from what we found before. By this mandate — or calling — all human beings and also all households are summoned to care for what is entrusted to them. This includes not only material goods, but environmental gifts, natural endowments, and human health as well. Even if nature cannot or should not be “used” in the direct meaning of the word, it still deserves our care—and therefore has to be seen and studied as an economic object. But in the mandate of care even more than that is implied: for *stewardship* also means that we take care of other *persons*, so that they have the possibility of satisfying their basic needs. (Luke 12:42) And finally, it implies as well that we take care of ourselves. Even and especially that we take care not to become the victims of our own selfish and unlimited desires. “You fool,” we read in Luke 12:20, “in this very night your soul is [41] required of you, and the things you have prepared whose will they be?” Obviously there is more at issue here than religious foolishness alone. Here we meet an *economic* fool, who did not take care of himself and fell into the pit of greed.

Stewardship which is seen in this way belongs as much to the world of faith as to the world of sound economic science. It belongs to the world of faith, because it brings us to the heart of the teachings of the Gospel about economic life with its warnings against the accumulation of wealth, its blessings for the poor and the deprived, its promises for a suffering nature (Rom. 8:18), and with its *thora* for the preservation of the land, neighbors and the animals (Deut. 22, Lev. 25). But it *also* belongs to the world of the sound economic science, of *oikonomike*, as is shown in the neglected Aristotelian tradition of economics.

² *idem Politeia*, 1323 a.38v, Van Leeuwen, p.280.



Implications for Economic Analysis

Does all this help us to come to a better economic analysis and understanding of what is happening now with our planet, its environment, its scarce resources? The question is not rhetorical—for the word “Christian” itself does not work miracles. Only by endurance, intuition, guidance, openness can we hope to see a harvest. This paragraph and the next should therefore be seen as no more than a modest first effort.

If we look to the economic processes of our time, we are confronted with a deeper impact on the human, the organic and the non-organic environment than ever before in history. The woods of this earth are rapidly diminishing in quantity through deforestation and quality through such effects as acid rain; erosion and desertification transform the landscape: “the annual soil loss through desertification has been estimated at 0.3% of the total land area”³; the speed of depletion of natural resources and animal and vegetable species has remarkably increased; and water, air and soil are poisoned. Intuitively we feel that this is from a lack of stewardship. But if we look to economic science for an affirmation or rebuttal of this intuitive feeling we stand disappointed. Of course we will find there an explanation of the demand for energy, for wood and other scarce resources in terms of elasticities and input/output relations; possibly we will even find a treatment of the economics of common property resources (like fishing grounds); but we will look in vain for a balanced scientific judgment of our use and misuse of the natural environment. Is the only reason for that a *fear* of mixing scientific statements with subjective valuations? No doubt this plays a role—but it seems that more than that is here involved.

³ Editor's note: The original *Epiphany Journal* version places four footnotes at the end of the article but with no footnote numerals indicated for Nos 3 & 4. It is therefore likely that this quote is from the listed footnote 3 at the end of the article which reads: "**Facing the Future**, OECD. (Paris, 1979) p.24." The other reference 4 is to **Global 2000, Report to the President** *passim*. This report was released in 1981 by the Council on Environmental Quality, having been commissioned by President Jimmy Carter on May 23, 1977.

In her **Lament for Economics** (London 1938), Barbara Wootton has pointed out that in one way or another every science needs a central “base of [42] reference” for relating different concepts and definitions. Without such a base, no science can ever be a whole, an intrinsic unity. Is it possible that the base of reference of present economic science itself somehow acts as a barrier to reaching those conclusions? And is some other base of reference scientifically possible? If we have to describe the base of reference of present economic science, the expression “priced scarcity” seems the most suitable. For only those “means” are observed and studied which are *scarce* and have a price. As for “ends”, they have to reveal themselves in the market before they can be acknowledged as real economic ends at all. Moreover, they are seen as “infinite”, meaning beyond scarcity. The base of reference in question — priced scarcity — reveals itself finally in the way in which means and ends are related to each other by human action; for there is no other test for human action than that of efficiency in relation to priced scarcities and given needs.

However, we have seen that economic life itself is more than the mere effort to satisfy infinite given needs through scarce and marketable means. It is as well, or even primarily, a reaction of human beings to the mandate of stewardship. This means we have to look for another “base of reference” — for which “care”, or “careful administration”, is our first candidate. But then also this base of reference has to express itself in the ends, in the means, and in the way in which ends and means are related to each other: otherwise the candidacy cannot be accepted as a scientific possibility.

But it can be shown that this base of reference does work—and that the candidacy can probably be accepted.

1. As far as the economic *ends are* concerned, we now have to make a distinction between ends in terms of care. We will call ends chosen with care, *needs*, because they have an intrinsic relationship with what people *need* in terms of care for their own family, for others, and for their natural environment and health. An economic need is therefore always related to the possibility of a continued existence — physically, mentally and socially — of a person or a household. At the other end of the spectrum we can distinguish the care-less or *harmful ends*. Those are the ends which, in one way or another lead to the destruction of the economic subject in question — an instance of this would be welfare diseases — or which lead to damaging results for other persons, or the environment. These ends are therefore of an economic-exploitative or aggressive character. Between the careful ends on the one hand, and the careless ends on the other, there is a whole intermediate range of economic ends which we will call *desires*: they do not have the character of real economic needs but neither are they intrinsically destructive or harmful.

Two things have to be noted from the outset: a) not all economic needs have a chance to be expressed in the market; the needs of the poor in particular fail in this effort; b) the yardstick of care in relation to human ends does not work independently from the human predicament. Within a densely populated, materially rich society, many ends of the “economic desire” sort shift gradually to the category of careless or harmful ends, because of the many “external diseconomies” their realization entails. In the course of history, therefore, the category of economic desires tends to become an empty box; needs and harmful ends alone prevail.

2). As far as the economic *means are* concerned, the vantage point of care leads us to ask what can be seen as a careful, responsible style of economic disposition. Is everything that can be used indeed “open” for use; and is [43] everything that may be used also used in a careful way?

The answer to the first question is obviously no. *Restraints* have to be observed in use of human labor as well as natural endowments. Human labor, for instance, may not be seen and valued only “instrumentally”, as if it had no more than an economic value because of its eventual economic results. In this context Max Weber coined the expression *Eigenwert der Arbeit*, the intrinsic value (own-worth) of human labor which must be recognized. For in the context of a healthy, careful life every human being needs to be honored as a living, sensitive, creative economic *subject*. A careful disposition of human labor therefore presupposes that restraints are formulated and observed to prevent mental and physical harm to the persons involved — restraints in the intensity, the duration and the nature of use (for instance dull and soul-destroying labor). But there is a similarity here between human labor and nature in general. For in a stewardship-view our environment also has an *eigenwert*, a value of *its* own — which means that it may not be used as a scarcity without price and therefore without worth. It is an economic duty for all mankind to preserve animal species and vegetable varieties; to keep to certain limits in the exploitation of animals and experiments performed on them (confer the commandment of rest for animals in the Bible), and to maintain the soil in its present and future fertility. Scientifically, therefore, not only prices, but restraints also have to be seen as necessary economic valuations. A culture in which everything may be used is a culture in which the users are used *as well*.

The second question *leads* us to the *case* of a possible non-use or wasteful use of disposable means. A lack of care, and consequently an economic loss, can be noticed, for instance, *if* structural or cyclical unemployment goes along with numerous unsatisfied economic *needs in a* society. This economic loss is even more unacceptable if we consider the demand for a job as a human economic need itself — because persistent unemployment can do real harm to the unemployed. Next to this type of economic loss is

economic loss due to care-less use. Here we can think of the premature exhaustion of resources, of over-cropping or over-fishing, and avoidable types of pollution of the atmosphere.

3. Finally there is the realm of human economic *action*, by which ends and means are related to each other — especially by production and consumption activities. The relevance of the choice of a correct base of reference can here be best illustrated by reference to the *concept of causality* in economic science.

In his book **Causality in Economics** (Oxford 1979), John Hicks draws a distinction between two types of causality, a distinction very relevant to our purpose. The type of causality to which we are all accustomed Hicks calls the “New Causality”. It gives an answer to “what” questions: What has caused a given price fall or the increase in a new sort of production? In this view, economic life is primarily seen as a mechanism, *as an* interplay of so-called economic variables; and the causal explanation ends, if the sequence of movements of the variables can be traced back to a change in the configuration of the data of economic science (consumer preferences, technological development, the nature and growth of the population, etc.). But Hicks also mentions another possibility, which he terms “the Old Causality”: “One can yet distinguish a system of thought ... in which causes are always thought of as actions by someone.”

[44] Here the crucial question is not what, but *who* caused this or that economic event. Hicks has some disdain for this type of causality: “it originated in a time when men understood very little of the things surrounding them” (*op. cit.*, p.6). So it had to make room in the 17th and 18th centuries for the New Causality, which was founded by Hume and Kant, philosophers of the Enlightenment. Hicks comments: “It was the ‘old’ association between causality and responsibility which had to be rejected. Causality is a matter of explanation; but when we explain, we do not necessarily praise or condemn” (p.7).

In these words of Hicks we rediscover, surprisingly, the scar of the aforementioned historical operation to separate the world of science and logic from the world of morality and faith. Hicks applauds the rejection of the old association between causality and responsibility. But what could be more natural than to maintain some association between causality and responsibility? And what could be more natural than to argue an association between causality and human responsibility within *a* social science? For no human society can ever exist, economically or otherwise, without at least some sense of responsibility. If economic life is only seen as a mechanism — then it has indeed lost all quality and content.

The consequences are indeed heavy. For in terms of the prevalent “new causality”, the element of care or stewardship has not the slightest chance of penetrating our scientific reflections or considerations. But the case is quite different *if* we allow room for a “who” causality in our scientific diagnosis. For if we ask within our economic discipline *who* has

caused the present inflation, or unemployment, or rapid depletion of resources and environmental deterioration — then an answer is possible only if we presuppose that 1) all economic agents — consumers, labor unions and governments — are in principle *accountable* for their economic actions; and 2) in their reactions to external impulses (such as changes in prices and incomes, costs and tariffs) they can reveal a lack of *care* in relation to the interest of others, or the environment.

The possibility of an overreaction or an under-reaction to a given impulse is interesting from the viewpoint of stewardship. For instance, *if* labor unions claim a 5% wage increase to compensate for a 3% cost of living increase, then an overreaction has taken place which can be seen as a discrete cause of the resulting cost-push inflation; and if a rise in deaths and casualties in the neighborhood of a polluting factory does not lead to any change in its production methods, an under-reaction takes place which can be seen as a separate cause for the continuation of this type of damage. Statements like these of course are only valid if they are taken on the base of a careful analysis in terms of economic accountability; but there is no reason at all to exclude their possibility *a priori*.

Of course Hicks is correct in saying that when we explain we do not *necessarily* praise or condemn. But it would be a pity if *in* our economic study there was no place at all for an appreciation in *economic* terms — in terms of care — for what people or what institutions do, or refuse to do. That would mean that economists are systematically handicapped in fulfilling their responsibility as “the trustees, not of civilization, but of the possibility of civilization” (Keynes).

In summary, two different “bases of reference” for economic science have been contrasted. The first, “priced scarcity”, leads to a study of the economic process as a mechanical interaction of economic variables in the context of given, infinite ends and scarce means, which [45] both reveal themselves in the market. The other suggested base of reference for economic analysis was “careful administration” which follows from the general mandate of stewardship. That leads to the study of economic processes in terms of the social interaction of responsible economic subjects, in the context of a careful (or careless) choice of ends, means, and economic restraints.

The last part of this study will ask what difference this all makes in the practice of creation management, and more specifically for the way of organizing economic life (the choice of economic systems) and the art of economic policy.