

ECONOMICS (2)

by Bob Goudzwaard

II

You may have noticed that, in dealing with the important view of the reformers, I referred to only a partial answer of our problems. I did so because I do not believe that we can rely on Calvin's approach only in our evaluation of present-day's social and economic development. Since the Reformation, this development has undergone influences other than the simple desire for economic autonomy.

THREE BASIC RULES

In this connection I should like to draw your attention to *three basic biblical rules* which together explain man's relation to God and to his theoretical and practical pursuits. Although these rules are more or less well known to many of you, I believe that their combination will provide us with a better understanding of ourselves and our times.

The *first basic rule is that every man is serving god(s) in his life*. This rule is known as Augustine's law of concentration. Augustine wrote the famous words about the unrest in every man's life, an unrest which is only removed if he finds God. The God we have as our resting point in life can be the living God. But we can also seek the resting point of our lives (our happiness and goals) *within* the creation. We can seek it in material wealth, in our intellectual capacity or in progress by means of technique. When, for example, President Nixon declared a few years ago that the spirit of Apollo Eleven was able to bring peace among all nations, his words betrayed a belief in the *saving* power of technique. When, to give another example, we reject anything that is beyond the range of our mental capacity, then our intellect has become our ultimate resting point and the origin of our security. In such a case we indeed choose *our god*.

The *second basic rule is that every man is transformed in an image of his god*. The choice of a god, of a real resting point in your life, does not remain without consequences for yourself. Christians have the promise to be renewed by the Holy Spirit according to the image of the living God. But all those who choose another god — whether they bear the name "Christian" or not — are transformed into an image of the god of *their* choice. The apostle Paul describes this law in the first chapter of his letter to the Romans. Paul speaks about those who exchanged the splendour of the living God for other gods: for birds, beasts and creeping things. And Paul continues: "For that reason God has given them up to the vileness of their own desires and the consequent degradation of their own bodies; they are now behaving like animals themselves!" They have become the *image* of *their* god. When you choose progress by means of technique as your god (as the foundation of your final hope and trust in life) you should not be surprised to find yourself transformed and deformed into an extension of a machine. When human intellect and your own ratio (reason) is your deepest source of trust and knowledge, you will ultimately rationalize yourself as well. Then the love for your own wife and family may disappear because it could not stand the test of rationality. Marriage and family are, after all, not qualified by reason but by truth and fidelity.

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Later on this year we hope to publish this article in booklet form.

The third basic rule is *that mankind creates and forms a structure of society according to its own image*. (This directly concerns the structure of society.) In the development of human civilization, man forms, creates and changes the structure of his society, and in doing so he portrays in his work the intention of his own heart. He gives to the structure of that society *something of his own image and likeness*. In it he betrays something of his own lifestyle, of his own *god*. A biblical reference for this third rule can be found in the 13th chapter of the book of Revelation, where the inhabitants of the world are commanded by their beast-god to make an image of this god, an image which can speak and is able to direct their lives.

THE RELIGIOUS CHOICE OF OUR SOCIETY

I sincerely hope that you will be able to see the intense relevance of these three biblical laws about the relation between God, man and society. We, in our western civilization, have first given our trust to the powers of economic growths, science and technique to lead us in all our ways — and we are still following these powers as our infallible guides. But, correspondingly, we have turned *ourselves* into images of these gods, and find these traces of ourselves back in the structures of our present-day, growth-possessed society. For it cannot be denied, that our society displays a powerful belief in the full self-sufficient autonomy of economic development as the source of both private and social happiness. Human reason, technical progress and autonomous economic development — behold your gods, who are able to deliver you from any house of bondage and bring you into the promised land of welfare! And now, in our modern cultures, we are confronted with the consequences of this religious choice. This does not mean that western civilization made that choice in all *its fullness*, denying *any* form of christianity. Our society still knows some feeling of responsibility, some sense of freedom, some unrest about the present unbalanced situations.

But it is nevertheless true that western man — and we are all western men and women — although he did not reject the living God in all spheres of his life, has already made many basic religious compromises. Western man has often sought and still often seeks his resting point for his daily life in his intellectual capacity, his technical progress and the level of his income. To a large extent he finds the meaning of his life in a chase after financial gain and luxury.

It is these religious choices which have scarred Western man and his culture. Western man has, at least partially, been transformed in the image of these gods. And the image of these gods is reflected in the structure of our society. That structure has, in many respects, become economic, rationalistic and technocratic.

ILLUSTRATIONS

Here, I believe, lie the deep roots of our present miseries, imbalances and severe claustrophobia. In the area of industrial labour, for example, our real problem is not that many workers are treated as de-humanized robots. That is old hat already. No, the deepest misery lies in the fact that many of these labourers no longer experience such a work situation as de-humanizing. Instead, they feel themselves quite happy, and reject any possibility of obtaining real responsibility. They often think of work as a mere means to earn money, and responsibility is considered to be a burden. Here we witness a transformation of man in the image of the modern gods. This transformation is partially due to his own choice, but it is also the result of the compelling influence of a culture which worships and adores technique and progress.

UNION GAS VS. OCAW

Natural gas is a fuel which for the sake of safety must be handled with exceeding care. On February 6, about 1,100 employees of Union Gas Ltd., represented by the Oil, Chemical and Atomic Workers International Union, went on strike. Since then, gas valves have been tampered with, shutting off heat in London, Burlington, Windsor and other centres. Supervisory people in the company, who have taken on the duties of the strikers, have restored the service.

Premier William Davis has decided that more protection is necessary. The company supplies 375,000 customers in Hamilton, Burlington, London, Windsor, Chatham, St. Thomas, Brantford, Guelph, Kitchener, Stratford and Sarnia and surrounding areas, early in February, 75 homes in Buxton and 800 homes in St. Mary's were without heat.

When the gas is turned off the pilot lights of all appliances go out. Not only is there a loss of heat there is the danger of explosion when the gas is turned on again.

Commented The Globe & Mail editor: "It is bad enough that there should be a strike in an industry where risk to life and limb is such an evident factor, bad enough that supervisors should have to be spread thin to guard against the risk. It is intolerable that there should be interference with this overworked line of defence.

"Premier Davis has announced that the Ontario Provincial Police are patrolling Union Gas supply lines in Southwestern Ontario 'in the interests of protecting life and property'. His Government will not interfere with bargaining between the company and the unions, he said, but it 'is concerned that no citizen suffers from lack of heat or from risk of explosion'."

During November 1965, the OCAW also struck Union Gas. It was a vicious strike, marred by destruction of company property. It was reported that unknown persons had turned off the valves which control the flow of gas to hundreds of homes, slashed the tires on company vehicles, and smashed windows. Union Gas described these incidents as "acts of sabotage" and offered a \$1,000.00 reward to anyone providing information leading to the arrest and conviction of persons tampering with its equipment.

With this in mind, we can only agree with the precautions taken by the Davis Government.

SDJ

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HOFFA AND NIXON

Anyone familiar with the International Brotherhood of Teamsters knows that its former president, James Hoffa, was sent to prison for mail fraud and jury tampering.

But Mr. Hoffa was released from a federal prison in Lewisburg, Pa., on December 22, 1971, on a grant of executive clemency by President Richard Nixon. He had been in jail since March 7, 1967, nearly five years.

It is no secret that Mr. Hoffa, ever since his release, has tried hard to get back in the Teamsters president's chair, currently occupied by Frank Fitzsimmons.

During March 1974, according to Philip Shabecoff's copyrighted article from the New York Times Service, Mr. Hoffa filed a lawsuit against President Nixon and Attorney-General William Saxbe, charging them with illegally preventing him from holding union office.

The legal action, filed in the U.S. District Court, is a civil rather than a criminal suit. However, some of its allegations accuse Government officials of activities that could be construed as clearly criminal.

The suit alleges that the stipulation in Mr. Nixon's grant of clemency, prohibiting union activity by Mr. Hoffa for 10 years, was designed to protect Mr. Fitzsimmons from being forced from office by Mr. Hoffa.

Many of the charges listed in Mr. Hoffa's suit are being looked into quietly by the special Watergate prosecutor's office and by the Senate Watergate Committee. The case could produce still more of the explosive disclosures that have exacerbated the crisis of Mr. Nixon's presidency since the first disclosure of the Watergate burglary.

The commutation order releasing Mr. Hoffa from prison in 1971 stipulated that he "not engage in direct or indirect management of any labour organization prior to March 6, 1980."

The suit claims that the restriction of Mr. Hoffa's activities is without precedent in the history of presidential grants of clemency and is illegal. Further, it claims Mr. Hoffa learned of these restrictions only after his release and that he never accepted any conditions for the clemency granted him.

The suit does not seek penalties but asks relief for Mr. Hoffa from the restrictions on his holding union office.

The suit alleges that neither the Attorney-General at the time, John Mitchell, nor the pardon attorney involved nor any members of the U.S. Justice Department recommended to Mr. Nixon that, that restriction be placed in the commutation of sentence.

But the suit charges that Charles Colson, former special counsel to Mr. Nixon, had the condition added to the clemency order "pursuant to an agreement and conspiracy by and between said Colson, Frank Fitzsimmons . . . and other people whose identity is not presently known."

Lawrence Taylor, the Justice Department pardon attorney who prepared the order, reportedly said he placed the stipulation in the order of clemency on instructions from John Dean, then counsel to the President. It would appear the Sam Ervin and his friends again have something to think about. SDJ

We see a parallel development in the structure and direction of the modern business enterprise. There the root problem is not just merciless competition, unethical dealing with workers and consumers, and lack of genuine concern for and solidarity with others. Those are evils which have their origin in a much earlier history and are a direct consequence of the proclamation that economic development is fully self-sufficient and autonomous. No, the root problem is that the modern enterprise in the pursuit of its goals not only tends to captivate men's bodies but also their souls and minds. There is an enormous pressure on every leading person within the corporation to adapt his lifestyle and *his life view* to that of the corporation, and to identify his personal hope for the future with the goals of the enterprise. Love is transformed into loyalty to the enterprise, faith becomes dedication to its goals, harmony turns into a duty to eliminate any conviction which might disturb the development pattern of the enterprise. I believe Galbraith was right when he wrote:

If we continue to believe that the goals of the industrial system — the expansion of output, the companion increase in consumption, technological advance, the public images that sustain it — are coordinate with life, then all of our lives will be in the service of these goals. What is consistent with these ends we shall have or be allowed; all else will be off limits. Our wants will be managed in accordance with the needs of the industrial system; the policies of the state will be subject to similar influence; education will be adapted to industrial need; the disciplines required by the industrial system will be the conventional morality of the community. All other goals will be made to seem precious, unimportant or antisocial. We will be bound to the ends of the industrial system. The state will add its moral, and perhaps some of its legal power to their enforcement. What will eventuate, on the whole, will be the benign servitude of the household retainer who is taught to love her mistress and see her interests as her own, and not the compelled servitude of the field hand. But it will not be freedom. (J.K. Galbraith, The New Industrial State, p. 398, Houghton Mifflin Company, Boston, 1967.

But Galbraith fails to see the religious roots of that threat to freedom. These roots are that western man, to a large extent, has tied his *salvation*, his deepest happiness to what economic growth and technical progress can give to him. It is this faith which expresses itself in the structure of our institutions and societies. These gods, in turn, are now shackling and binding their servants. They transform their adherents into slaves.

However, there is more. The enterprise also exercises an increasing spiritual domination over the *consumers*. A large enterprise cannot afford a major insecurity in the level of consumer demands. Therefore, it has to create a secure and stable demand. The wishes of the consumer become more and more *prefabricated* wishes, made serviceable to the universally valid progress of sales and technique. Consumers' sovereignty is gradually replaced by consumers' dependence. The master becomes a slave.

Our third and final illustration is the problem of our severely damaged environment. What constitutes our greatest misery in this vital aspect of our world? Again, it is not that we wreaked such havoc on our ecosystem. During the Industrial Revolution and afterwards, there was also

a severe degree of air and water pollution. Our most fundamental problem is that our society has a built-in tendency to continue such pollution and waste, a tendency which is often much greater than the will to curb it. To be sure, there is much protest and publicity about the environmental damage. But this protest resembles the protest of the victims of the seven plagues described in Revelation 16. The victims suffered severely but refused to change their lives. For it becomes increasingly clear that a real struggle against further deterioration of the environment will be possible only if western man will be satisfied with a much lower rate of growth of his income and perhaps with a much lower income. To quote Galbraith once again: "a rising standard of living has the aspect of a faith in our culture." And faith has great tenacity. I believe that western man will do his utmost to achieve both economic goals. He will try to improve the environment without giving up his attempts to improve his consumption level. In economic terms, however, this means a structural trend towards continued heavy inflation. For inflation is not a mere defect in the mechanism of our economy, but a consequence of the desire to spend more than is economically possible.

ROUNDING IT OFF

I believe we are now ready to complete our picture. Why are so many young people engaged in a deep and helpless protest against society? It is, I think, because they intuitively feel that, in staying in society, their freedom and spiritual independence is at stake. There is an analogy between their protest and the struggle of the existentialists against the domination of positivism in science. Positivism equated human existence with a collection of natural, biological and physical qualities. Like the existentialists who want to escape the inhuman positivistic fate, modern youth refuses to be put into the box of a closed society which often treats living men as social animals, working mules, consuming rabbits and computerized atoms. They no longer believe that man will be saved, made thoroughly happy by a total dedication to the goals of sales promotion and technical progress.

III

I would like to conclude this series with some comments about the Christian's approach toward social-economic life. What must we do? Flee from it? Compromise with it? Or is there a third way out of the pressing dilemma?

I believe that the basic difficulty lies in the fact that the *direction* of modern society is indeed a *religious* direction. That should be clear when we observe the effect of the three biblical laws mentioned earlier in Part Two. It becomes clear also when we notice within our society that strange mixture of rationality and irrationality. Our methods and processes are all very rational and efficient. But these methods and processes serve goals which are often irrational and unexplainable. We insist on further expansion and growth of production and consumption of unnecessary and pre-fabricated luxuries, even when the price is a dehumanization of labour, a destruction of the environment, a manipulation of ourselves as consumers, and a woeful neglect of other people who lack the bare necessities of life. Such a strange combination is only understandable after we have enslaved ourselves to these irrational goals and have given them a meaning in themselves, irrespective of their consequences.

UNIONS' ACCOUNTING FOUND UNRELIABLE

The Royal Commission on Crime in the Construction Industry, headed by Judge Harry Waisberg, recently discovered how some unions, using utterly faulty accounting procedures, fiddle around with the funds they receive.

Philip Musselman and other accountants hired by the Commission had examined the books of about 20 union locals, reported *The Globe and Mail*. Mr. Musselman stated on March 5 that many unions in the construction industry have bookkeeping systems so inaccurate and unreliable that even honest financial officers are unable to prove their integrity.

"Approximately half those examined were not satisfactory by any accounting standard of any sort," Mr. Musselman told Commissioner Waisberg.

Though most of the locals received \$500,000 to \$1-million a year from dues and other sources, financial records were completely inadequate, making it sometimes impossible to audit them. Mr. Musselman said union records were so vague some locals had no accurate count of their membership.

The Commission found the union accounting problem sufficiently bad to order its own accountants to create a system that could be adopted by most locals. Mr. Musselman produced what he called a simple system which would pay for itself by reducing annual audit costs.

He also suggested public bodies like Ontario's Ministry of Labour should keep an eye on annual union audits.

As commission lawyer Albert Shepherd put it, the "loose controls and careless bookkeeping practices" of many locals make it impossible for members to tell if their money is being handled properly by their financial officers.

"They could be tempted", said Mr. Musselman, who suggested officials who wrote up union books should not be the same persons who handled cash.

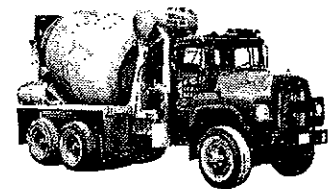
He said a "critical problem was the failure of the unions to deposit cash in the bank immediately and intact."

Mr. Musselman said some unions used a single-entry bookkeeping system that was outdated in the past century and even then there were cases of entries not being made for a year and being done on "guesstimate".

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Registered nurses in Ontario can now join their own duly-certified trade union.

The Ontario Labour Relations Board has granted the Ontario Nurses Association trade union status and has approved the merger between the new union and the former nurses association for the Halton County Health Unit. The Halton health unit nurses are members of Local 1 of the ONA.

The ONA, which was formed at a convention last fall, was using the Halton bargaining unit as a test case. Now that its status has been approved, it is in a position to receive applications from other local nursing associations for merger.

Associations that can complete the complicated merger proceedings in time for the March 1 executive board meeting of ONA, will have their merger applications considered at that time. A further meeting to consider merger applications is tentatively scheduled for early June.

While we congratulate ONA with its new status, registered nurses are reminded that there is nothing to prevent them from joining CLAC as members and be represented by CLAC. We know there are many nurses who would rather identify with a movement that seeks to conduct its activities from a christian perspective. We welcome them!

Further, we hope that ONA will not abuse its newly-won status (e.g. by insisting on compulsory membership or support provisions in its collective agreements), but, instead, respect all nurses' freedom of religion and freedom to work. SDJ

UNIONIZING THE PROFESSORS

Two unions applied in February to the Nova Scotia Labour Relations Board to represent about 180 professors at St. Mary's University in Halifax.

Under the province's Trade Union Act, a union can seek certification before the Board if it has signed up more than 40 per cent of the employees in a proposed bargaining unit.

Both the Canadian Union of Public Employees and the St. Mary's University Faculty Union, sponsored by the Canadian Association of University Teachers, were busy signing up professors.

Each bargains for the academic staff at one other small college, and the contest at St. Mary's is seen as the first of a series on Canadian campuses.

Marie-Claire Pommez, organizer for CAUT, refused to say how many cards her union has, but she said she would not be seeking certification if she did not have the 40 per cent.

For years, CAUT has been the professors' professional organization, representing its members mainly in areas relating to academic freedom. Only recently did it branch out into union-style activities.

Miss Pommez said the people who signed with the faculty union included both those who wanted the CAUT and those who did not want any union, but particularly did not want CUPE. SDJ

Should we then escape, perhaps join the underground movement, and help prepare a coming revolution?

I don't believe that to be a Christian approach and I would like to give three reasons.

In the first place, I must remind you of the connection between escapism and a double morality which we already observed in our discussion of the early church's attitude in Part One. You can not take the luxury of an escape when you know that many others have no such possibility. That would be unethical; it would be a flight. It would also be a betrayal, for escapism is always a denial of the solidarity of sinning.

Secondly, I should like to remind you, as Calvin already taught, that evil is not situated in social-economic life itself. The ultimate horizon of your daily work is not an unavoidable subjection to the aims of a closed society. If that were your conviction, you would be thinking as one-dimensionally about your daily life as those who unconditionally love the gods of our age. For all human endeavours cannot remove the creational order of economic life. They cannot eliminate the fact of God's calling to your daily work; they cannot neutralize the meaning of His vocation as a way to render service to your neighbour.

The third and most fundamental objection to flight and withdrawal from present society or to its revolutionary overthrow, is that such a course of action would betray a serious misjudgement of the real roots of the crisis. The decisive question is not how we shall escape from being put into a box or from being treated like rabbits or atoms. It may be the decisive question for an existentialist who loves his spiritual independence above all, but it can never be decisive for a Christian. A Christian should know that the fundamental problem does not originate from a wrong societal structure but springs from the hearts of men who made that structure. It is man himself who chose his gods and enshrined them in the midst of society. You may flee from that society, but you can never escape your own heart. Here we find the limit of every escapism and therefore the limit of our hope for other and better societal structures as long as the religious heart direction of western man is not changed.

Let us formulate the same answer in a more positive way. I believe that the living Word of God is present in our western civilization as a detecting power. It detects the origins of the troubles, miseries and irrationalities in that civilization. It also discloses how the declaration that God is dead must necessarily be followed by the death of a culture, the death of humanity in man. The Word of God has also its revenging presence. **Man cannot choose another god and remain the same.**

But the Word of the living God is also present in our society as a liberating power. Wherever that Word is accepted the social mortgage of our own wealth to the hungry and needy will be paid off. The balance between wealth and nature can be found again. Men will no longer be manipulated in their deepest convictions to attain practical economic goals.

Our Western societies have not made an irreversible choice for the gods of wealth and technique. Moreover, there still is hesitation, there still are remnants of a sense of stewardship in the control of the environment. There is a youth which rejects an economic and technocratic way of life and helplessly seeks for possible alternatives. And that alternative is present for there still is a bifurcation, a fork in the road. At the crossroads, however, the right direction is only indicated by the signpost of the living Word of God.

For I also believe in the directing power of the Word of God. When we follow that Word on its path through our present culture, there is still much that can be done and there are still many possibilities for genuine Christian witness. And this witness is not without promise: for wherever the Word of God is heeded, there is His promise of a substantial healing "of man and society." (Schaeffer) This healing begins in our own life showing itself in the Shalom that follows our responsible personal choice between obtaining our own luxuries and providing the needs of the hungry both here and in other countries. It also expresses itself in society: for are the structures of society not a mirror of our own belief, and are they not bearing the image of our own hope, trust and convictions? That statement has also its positive sides. Every trade union which values the restoration of human responsibilities in daily work above the chase for more dollars for its members, is working as a power of substantial healing, making labour again meaningful also in larger enterprises.

The social perspective, given in the Gospel, is that of more opened up society, of a better administered environment, of at least a partial redemption of our social mortgage. Last but not least, there is the power of the witness of the church. To be sure, not in the way of imitating the service of the gods of this age by building luxurious and expensive church buildings. The vocation of the church is to demonstrate in its own style of living that the redemption of Christ is also changing all our social-economic relations. In the Christian community, as Calvin taught, something has to become visible of the holiness, the harmony of the economics of the Kingdom of God.

A basic rule of that Kingdom is that happiness lies more in giving than in receiving, that you can become rich in Him by giving your treasures away. In that community social, economic and racial differences, rather than causing separation, have to intensify genuine communion and solidarity, transforming that community into a place of real and substantial healing for all who are hurt and broken by an idolatrous culture. Thus we may live today in the perspective of the great day of our Redeemer, a Redeemer whose distant footsteps can already be heard amid the din and noise of our present society.

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