

A Social Involvement Report

**LIVING THROUGH ECONOMIC CRISIS:
THE CHURCH'S WITNESS IN TROUBLED TIMES**



approved by the
219th General Assembly (2010)
Presbyterian Church (U.S.A.)
Minneapolis, Minnesota

Prepared by the
Advisory Committee on Social Witness Policy



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THE REV. DR. GRADYE PARSONS
STATED CLERK OF THE GENERAL ASSEMBLY

November 2010

Dear Presbytery and Synod Executives, Pastors and Sessions of the Presbyterian Church (U.S.A.):

I write at the direction of the 219th General Assembly and with great concern for the economic situation we all continue to face. This past summer's Assembly requested me to send the attached social involvement report to "each congregation in the denomination." The title aptly describes its content: "Living Through Economic Crisis: The Church's Witness in Troubled Times." My request to you is to forward this on to your pastors and congregations.

While many of us are blessed to have stable and good positions, our Christian empathy reaches out to those experiencing foreclosure and job loss, and our Christian consciences may ask how this suffering can be ended. As a social involvement report, these several pages are not a study but an initial statement of the values of the Presbyterian Church (U.S.A.) in economic life: "human rights, covenant community, public responsibility, vocation-affirming work, and sustainability." In the words from the Executive Summary, "In a time of continuing, deep economic recession, our faith gives us strength to face unemployment, poverty, and anxiety—not simply as individuals, but as a community with an ethical memory rooted in the Gospel."

The Assembly authorized a more in-depth study of "our current economic trends and practices, including their impact on the church itself," as well as on other participants in our economy. A short prospectus describing the Advisory Committee on Social Witness Policy's approach is available on-line (www.ganc.pcusa.org/acswp), as is a summary nomination form for those interested in volunteering to serve on the study team.

Congregations are specifically encouraged not only to study and discuss this report, but to create direct responses to the economic crisis (some are suggested). Members, congregations and councils of the church are also requested to advocate for public services and public goods jeopardized financially.

As is usual with even short social witness reports, I knew there would be a section in this one explicitly lifting up our Reformed heritage. Sure enough, here's a great Calvin quote from Section D: "We are the stewards of everything God has conferred on us by which we are able to help our neighbor, and are required to render account of our stewardship... the only right stewardship is that which is tested by the rule of love" (see text for citation).

In sending this out to you electronically, I honor the Assembly's sense of stewardship and its concern for "social righteousness" in economic life. Thank you for sharing it, in turn, with your ministers and congregations.

Yours in Christ,

Gradye Parsons, Stated Clerk

Item 10-09: Living Through Economic Crisis: The Church's Witness in Troubled Times: A Social Involvement Report for the 219th General Assembly (2010).

The Advisory Committee on Social Witness Policy (ACSWP) recommends that the 219th General Assembly (2010), affirming the values of human rights, covenant community, public responsibility, vocation-affirming work, and sustainability, approve the following recommendations to be communicated by the Stated Clerk of the General Assembly and advocated by appropriate offices of the General Assembly Mission Council:

1. That the Stated Clerk be requested to send a copy of this social involvement report to each congregation in the denomination.

2. That the appropriate PC(USA) ministry area or areas, including the Advisory Committee on Social Witness Policy (ACSWP), the Advocacy Committee for Women's Concerns (ACWC), and the Advisory Committee for Racial Ethnic Concerns (ACREC), be directed to develop a study for the 220th General Assembly (2012) that assesses the long-term implications of our current economic trends and practices, including their impact on the church itself, and provides appropriate recommendations for consideration by members, congregations, presbyteries, and local, state, and federal government. This assessment should center on the role of fairness and justice in our economy, with particular attention to growing inequality, the decline of the middle class, the tax structure, the shifting makeup of the labor force and its effects on employee rights, the role of regulatory agencies in protecting the public interest, and access to environmental resources that is equitable and sustainable. The study should also reflect the concern of the impact of the economic crisis on women and incorporate case studies of both women and men.

3. That congregations be invited to create within their midst ways of supporting persons and families impacted by unemployment, under-employment, and economic downturn.

4. That congregations and families be urged to meet together to discuss actions and behavioral changes that they might undertake to lower their consumption, live more simply, and share their resources more generously.

5. That all members, congregations, and presbyteries be requested to advocate for the preservation and strengthening of public services essential for the public good, e.g., education, libraries, fire and police protection, and others as appropriate to local circumstances.

Executive Summary

In a time of continuing, deep economic recession, our faith gives us strength to face unemployment, poverty, and anxiety—not simply as individuals, but as a community with an ethical memory rooted in the Gospel. Understanding the economy as a servant of creation's flourishing enables us to question the necessity of widening inequality and continued poverty, to look at the moral consequences of these trends on society and the church, and to propose greater democratic accountability for financial institutions that are called to serve the common good and depend ultimately on public funds and confidence. Informed by the historical balancing process between the public good and private enterprise, this resolution proposes measures to advance the values of cooperation, social protection, and equal opportunity while restraining those of greed, speculation, and inherited privilege. The bottom line is fairness. Without that, our economy is literally demoralized.

After a brief review of our current crisis, this resolution summarizes the wealth of moral resources we have available to draw upon in confronting this economic crisis. It then proposes basic ways we may support the re-balancing of the economy for fairness. This resolution lifts up five key values: human rights, a covenantal approach to mutual responsibility, engagement with the public order, work in service of vocation, and sustainability. These then frame responses to the current predicament in light of our long-term vision of a stewardship society.

Full Rationale for Living Through Economic Crisis: The Church's Witness in Troubled Times: A Social Involvement Report for the 219th General Assembly (2010)—From the Advisory Committee on Social Witness Policy.

Rationale

A. Troubled Times

Headlines in every community, small town, rural area, and urban city, put in bold print what lives in many homes as personal pain and wrenching fear: State jobless rate climbs higher, National unemployment now at 10.2 percent, Underemployment at 17 percent, One in four families suffer job loss in past year, Many youth have no career ladder to climb, Pension losses estimated in trillions, Weak job market fuels more foreclosures, Personal bankruptcies at record high, State budgets strapped, Cities struggle to provide basic services, No police response to breaking and entering, Requests for food assistance soar, 49 million Americans hungry, Poverty rising.¹

These losses to human well-being and dignity impact each of our congregations in some way. Few pastors today have lived through such difficult times. In the past one could count on community resources to help with a family in stress. Today community service organizations themselves are struggling to survive. Community amenities that soften the hard edges of life, such as libraries, recreational centers, neighborhood parks, youth sports, and school bands, are being cut from government budgets just as more families need them. Even the basic foundations of community life, police and fire departments, school systems and community colleges, public transportation, and infrastructure, are being cut back. Many communities are unable to maintain what were once considered essential services.

As we wrestle with how to respond to the growing human needs in our own communities and congregations, we learn that other populations are also battered by the consequences of suddenly unreliable economic theories. Hard won reductions in poverty achieved in many countries during the 1990s have been too quickly reversed.² More than one billion people worldwide are undernourished and need greater emergency food response. We are told that a child dies every six seconds from malnutrition.³ But we have been

hearing about world hunger for a lifetime. Now, as hunger, job loss, homelessness, underemployment, loss of health insurance, and other blows to family well-being appear in our own neighborhoods, perhaps we begin to realize that for some in the human family such deprivation, and worse, has been a way of life for generations. What media describe as a new economic crisis is not at all new for too many people. It is not new to some of our communities and churches even here in the United States. Some of our urban and rural churches, having struggled for decades with depression level conditions as daily realities, are further tightening their already too-tight belts to keep doors open and compassion flowing to ever growing numbers of God's children in need.⁴ As in the Great Depression, a growing number of congregations will be forced to close.

Other headlines project a vastly different reality. "Wall Street profits return, big bonuses likely." "Wealth gap widens: Chasm between wealthiest households and everyone else has grown more than 50 percent since 1960s." "Wealth inequality is vast and growing."⁵ Compensation at the largest investment banks for 2009 is projected to total around \$140 billion. This continuing reward structure increases the danger of our becoming more of a class society, with limited social mobility for many and political control by powerful interests and elites. We learn that the United States has the highest rate of economic inequality among all industrialized nations.⁶ In spite of our wealth, we learn that a comparison of national health indicators ranks the United States as number thirty-seven in the community of nations.⁷ We wonder why that is and whether it matters. How are Christians to evaluate this economy, our roles in it, and our responsibilities to it? And if the Presbyterian Church (U.S.A.) is a "middle class church," how do we adapt when the middle class declines?

These questions are sharpened as we face the realization that the billions of dollars spent to stabilize the economy, through the Troubled Asset Recovery Program (TARP) and other parts of the stimulus package, have helped an even-more concentrated financial sector return to profitability while unemployment remains dramatically high and the U.S. manufacturing sector continues to evaporate. While the decline of manufacturing began earlier and is due partly to a deliberately undervalued Chinese currency, the tilt toward massive balance of payments deficits and high consumer debt also reflects the growth of the financial

sector over the past thirty years. Even with gigantic infusions of public money, bank lending has been limited and consumer finance protections have been stubbornly resisted, particularly in the area of credit card fees. Of more consequence to overall economic stability, the incentives for speculative currency “bets,” leveraged buyouts, junk bonds, collateralized debt obligations, and credit default swaps—components of the credit meltdown—remain largely unregulated and allowed to impact consumer finance. It is this nonproducing part of the economy, “Wall Street,” and its finance lobby, which spent \$476 million on the 2008 election campaign alone, that has benefited while “Main Street” and most family budgets have suffered.⁸ No wonder that many prominent economists, including some who were instrumental in conceptualizing our current laissez-faire economic model, now admit that their theories were flawed.⁹ Others go further in labeling our economically troubled times as a “global crisis of American capitalism.”¹⁰

B. *The Church’s Witness*

At a moment like this, it may be that we are more willing to ask questions that have long engaged the minds of Presbyterians, even if rarely heard in our society at large. When we are stretched to understand how, who, and, more deeply, the meaning of it all, perhaps we are better prepared to reconsider the insights and wisdom of our biblical and theological traditions regarding the *oikonomia*, the economy: its impact on our lives through production, distribution, and consumption behaviors.¹¹ As Christians, especially Christians of the Reformed tradition, this may be the moment to reaffirm that the management of our lives through any economy is always part of our response to God’s *oikonomia*, God’s own work of creation, redemption, and reconciliation. Economic systems are not “laws unto themselves ...free of religious and moral constraints . . .”¹² To believe so is a denial of God’s sovereignty. Our Reformed tradition teaches us that we are called to shape the economic system, as we are called to shape every aspect of our lives, as a service to God. In 1993, the 205th General Assembly reaffirmed this principle:

Churches in the Reformed tradition are sustained by worship, make corporate confessions of faith, and are known for their engagement with the public order. This is not

without reason. For Reformed Christians, God is at the center of life in all its varied facets. God is active in the world as its creator and redeemer, neither staying on the sidelines nor being contained within certain boundaries. Churches seek to witness to God in public life because God is present there.¹³

Therefore, we Presbyterians evaluate any economic system not simply on the basis of the material goods and services it provides, but especially on the basis of its human consequences: what it is doing to people, what it is doing with people, and what it is doing for people, particularly the most vulnerable among us. In our tradition, economic behavior, like all behavior, must be subject to moral scrutiny. For this reason the church must speak to the present economic crisis, to the devastation it has brought, and to the hope to which we bear witness: that in Christ a more just order is arising.

C. *Economics in Biblical and Reformed Traditions*

Despite the complexity of modern life, the rise of a global economy, and the invention of financial instruments not fully understood by even the smartest Wall Street inhabitants, the church continues to speak from its unshakable foundation:

The earth is the Lord’s and all that is in it, the world, and all those who live in it” (Ps. 24:1, NRSV).

From this foundation, this insistence that all humans belong to God and all creation is owned by God, the church asserts that the secular economy—the business of production, marketing, distribution, and consumption—exists within and under God’s management. Biblical examples of economic values abound. The Jubilee traditions in Leviticus 25 speak to the social harm caused by unrelieved debt and its resulting servitude. They speak to the response of the righteous. Those who have legally accumulated wealth due to the misfortunes of others are called upon to return it to those families from whom it originally came. Centuries of prophetic indictments of poverty caused by landowners’ abandonment of social responsibilities and absence of compassion equate justice with true knowledge and worship of God (for example, Am. 5:21–24). Jesus describes assistance to the neediest, the sick, the naked, and the imprisoned, as service to the Son of Man (Mt. 25:31–46). He proclaims woe to the rich and sated after blessing the poor and hungry (Lk.

6:20–26). Biblical economic values demand nothing less than the establishment of economic well-being for all, those present today and those who will follow us, as the purpose of society's economy and its faithful response to God.

Thus, any economy, regardless of size or form, is judged by its capacity to serve the needs of people, particularly the most vulnerable. This has been the historical witness of the Reformed tradition. For example, the Westminster Larger Catechism interpreted the commandment, "Thou shalt not steal," to include these positive economic activities:

. . . giving and lending freely according to our abilities and the necessity of others; moderation of our judgments, wills, and affections concerning worldly goods; . . . frugality; . . . and an endeavor by all just and lawful means to procure, preserve, and further the wealth and outward estate of others, as well as our own" (7.251).¹⁴

In a 21st century response to contemporary lending practices, the 217th General Assembly (2006) stated that "a proper understanding of usury for this (or any other century) will attend to the business practices surrounding lending." It proposed three criteria for evaluating lending practices: does the law or practice (a) "take advantage of the financial distress of those economically disadvantaged," (b) "balance the economic benefit of both the lender and the borrower," and (c) "lead to the conduct of financial transactions in a fair and just manner" including truthfulness, nondiscrimination, full and clear disclosure, and no coercion?¹⁵ Sadly we recognize the dramatic relevance of these moral principles for our times. Would that the subprime lenders and lax regulators had listened to the church—or that we had spoken more clearly!

In light of growing knowledge about our surrounding physical environment, the church has come to recognize that the gospel's message of commitment to and responsibility for others exists within the context of earth's limited capacity to provide resources and reabsorb our wastes. The earth simply cannot sustain itself under the weight of the unlimited consumption and subsequent waste produced by 6.8 billion people. Therefore, a just distribution of material goods and the wealth to acquire them,

. . . put[s] moral limits on economic activity for the sake of human well-being, future generations, and nonhuman life. It calls for a renewed emphasis on the Reformed norm of frugality and lifts up the norm of sufficiency so that all may participate in the 'good life,' calling for abundant living in caring communities in a way that is less materialistic and more frugal."¹⁶

A year of revelations about financial arrangements pursued for profit, without regard for risk to individuals and communities, yet rewarded by salaries, bonuses, and stock options beyond the ken of 95 percent of our U.S. households, reveals just how far from the moral standards of frugality and sufficiency our economic practices have drifted.¹⁷

When economic conditions have not been just, the church has spoken out forcefully. The Social Creed of 1908 denounced the appalling conditions of the working poor and demanded a living wage, safe working conditions, the right of all people to self-maintenance, and the "abatement of poverty."¹⁸ The 208th General Assembly (1996) denounced the very existence of poverty as "... 'intolerable,' a moral scandal of maldistribution and unsustainability, that disregards human dignity, solidarity, and equity, as well as ecological integrity." And, yet, the church confessed with anguish, poverty "has been condoned by churches and societies!"¹⁹ In 2006 and 2008, the General Assembly approved *Just Globalization* and then *A Social Creed for the 21st Century*, both of which speak to wrongful economic conditions that continue to deny millions basic conditions of dignity while threatening the health of the planet.²⁰

In summary, these two principles, (1) economic justice for all (the establishment of economic conditions that support the human flourishing of all), and (2) sustainability (the establishment of conditions of economic justice today that will not destroy the earth's capacity to provide abundant life to future generations), remain the basis of the biblical and Reformed imperative to promote social righteousness in economic matters.²¹ They remain the plumb lines against which economic practices in the 21st century must be judged. They are the product of a way of thinking about God,

neighbor, self, and all of creation derived from Reformed beliefs and values that refute many economic assumptions and practices commonly accepted by our society today.

D. *The Church's Message for Troubled Times*

A number of biblical and theological themes provide the moral principles to guide the church's witness in these trying times.

1. *Protecting the Human Rights* of all safeguards the dignity with which God has created each. Grounded in the biblical affirmation that all humans are created by God and in God's image, the church teaches that all humans have certain rights that are essential to living with dignity as children of God. In 1978, the Presbyterian Church in the U.S. adopted a Declaration of Human Rights that included the right to basic needs such as work, food, clothing, and shelter, as well as the right and responsibility to participate in one's community. Subsequent church policies have lifted up other needs as human rights, such as adequate health care and the right of older persons to adequate material resources.²² *Hope for a Global Future* reaffirmed that such rights include "the satisfaction of basic biophysical needs, [and] physical security."²³ The fulfillment of these human rights by society is the first priority of a just economy, and should guide economic decisions regarding the production, distribution, and consumption of resources. The lack of such fulfillment where resources are adequate becomes evidence of injustice that the church denounces as "moral scandal." Yet, as these are human rights, Christians in the United States must gage our use of the earth's resources in light of the rights of all other humans to the resources that sustain their lives. We are all challenged by the church's statement of this first principle in its *Resolution on Just Globalization*.

The satisfaction of basic needs is indispensable for human development. Sufficiency for all requires that poverty be eradicated and that the affluent live more frugally....²⁴

2. *Living in Covenant Community* presents us with moral guides for our use of private property. Who owns the land? The Bible recognizes the goodness of private ownership of property. In agricultural societies, owning land permitted people to work and sustain

themselves in dignity, owning the products of their labor. The Jubilee traditions testify to the importance of this concept. Today, the economic basis of maintaining our lives with dignity may take many forms: land, stocks and bonds, money, jobs, social safety nets. Yet, all of these ultimately depend on "land" as the material basis of human life. The biblical witness is equally emphatic that the land, that is, all forms of property, belongs first and ultimately to God (Lev. 25:23), as do our very lives. As these two concepts merge, Christians see that our personal ownership of property, regardless of the form it takes, is relative and finite. We own it for a short while; and we own it subject always to God's purposes. We own it mortgaged to a much larger household, the oikonomia of God who declared that "there will be no poor among you ..., if only you will obey the voice of the LORD your God ..." (Deut. 15:4 RSV).

Covenant is the biblical concept that points to this quality of community. Covenant is the name for human community defined by the individual's commitment to the well-being of all within the community. Covenant is the context in which individuals flourish in community as one family. In the covenant community, the organization of society is based on our recognition that we are our brothers' and sisters' keepers, and they are ours. We acknowledge that shalom, that peace that grows out of our just and loving relationships with one another and God, is rooted in our actual interconnectedness and interdependence. In covenant community the unjust suffering of any diminishes all. There is no place in covenant community for the secular celebration of possessive individualism. The singular pursuit of self interest, even in the economy, has no biblical warrant. Indeed, the Bible warns against the seductive nature of possessions and wealth, as well as the idolatry that results when we identify ourselves with them and endlessly strive to obtain them. With realism we recognize the power of financial incentives, but Jesus' greatest commandments broadcast the greater incentives of love.

3. By *Engaging with the Public Order* we work to create a common good. As Christians in the Reformed tradition, we have been guided by John Calvin's concept of a third use of God's law: namely, that through the gift of God's grace, we can strive to live more faithfully not only as individuals, but as community.²⁵ Seeing God at work in all of life, we see the public arena of laws and policies as instruments

through which the good of all should be discerned, provided and defended. Good laws and policies guide believers and non-believers to live together in mutual regard for the good of all. It is because government works for the good of all that Calvin considered service in it the “highest vocation.”

For example, recognizing that an unfettered, competitive market system inevitably tends to consolidate wealth and power in the hands of fewer people, the Reformed tradition has emphasized the importance of the role of government to establish and maintain conditions that nurture human development and safeguard equality of opportunity: “A fundamental task of government is to organize and preserve the basic social support systems that enable individuals and their mediating institutions to thrive together cooperatively and fairly.”²⁶ This typically takes the form of government support for those institutions that serve the common good, such as schools, infrastructure, public recreational facilities, product safety, defense, and even, as we have now seen, the rescue of private companies deemed “too big to fail.” It also takes the form of regulations that protect our health and safety, promote civil rights, safeguard us as homeowners or renters, workers, consumers and savers, and provide special care to us as children, the sick or disabled, and the elderly. In a large and complex society, government also responds to the needs of those for whom a supposedly rational and efficient economy does not work. Among the many who are not adequately supported by our current economic model are: low-wage workers (one in four workers earned poverty-level wages in 2007),²⁷ the unemployed, the under-employed, the young, the elderly, the sick, and the disabled.

In this economic crisis, these public interest functions of government have been revealed once more as essential to the good quality of our society. Richard A. Posner, long a leading figure in the conservative “Chicago School” of economics, argues that “we need a more active and intelligent government to keep our model of a capitalist economic from running off the rails.”²⁸ Deregulation has proven itself as harmful as over-regulation. The revolt against taxation has been as devastating to the common good, to schools, to roads, and to our capacity for response to the basic needs of our citizens, as is the wasteful use of government revenues. In the Reformed tradition, government is seen as having a positive role to play in creating the

social conditions that support and encourage us to live cooperatively for one another, as God has commanded and Jesus has modeled. It is through regulation and taxation that government carries out our covenant responsibilities to protect the social foundation that supports individual and family well-being. Realism, again, says that we bear each other’s burdens partly through taxation, given the time-proven limits of charity.

Let us be clear: historically, the United States has been economically and socially healthier when it has been more egalitarian and when broad, high-quality public education increased productivity in every sphere. Thus the role of government is not simply about taxation and redistribution, but includes planning and public investment to create infrastructure, public utilities and transportation grids, and to encourage research. To be an opportunity society, we need to be a stewardship society, one that measures not only aggregate financial numbers but also monitors the social impacts of unemployment and poverty. The disincentives of inequality lead some to resentment and discouragement, limited horizons and literal depression, the rise of addictions and the increasing break-up of families. It leads others to a hardening of hearts, disinterest in the common good, and a false sense of self-worth and entitlement. A “great recession” seems an appropriate time to review the effectiveness of public subsidies, public debt, and arbitrary restrictions on governmental creativity. This may be a time to examine the ideological preference for subsidizing the private sector. From a pragmatic standpoint, for example, could direct public investment in “green jobs,” and sectors such as public health, student loans, and public transportation be more socially efficient in some cases, and leave fewer Americans behind?

4. *Work* of all kinds is a calling through which we serve God, neighbor, and self. In Reformed theology, work, all work, is understood as a vocation: a response of gratitude to God and of love to neighbor. Through work we contribute not only to the material well-being of our society, but also to its moral quality, particularly its ability to nurture human development. With this understanding of the value and purpose of what we do when we work, we can pursue our earthly callings with vigor. In Christ, however, we reject secular judgments about the value of people and their work based on monetary measures of success expressed in the accumulation of wealth and possessions.

Work is also the way we carry out our responsibility to care for our families. Work, in this sense, embraces both unpaid and paid activities. The economy, often thought to encompass only paid work, includes and impacts both. In the current crisis, middle-income families subject to pay or job loss are experiencing the increase in unpaid work that occurs when family income declines and public services are reduced or eliminated. Perhaps this experience reveals to some of us the hard, time-consuming, but unpaid, work the poor must always do to survive. Because our church values the unpaid work of families, it has called for

a society in which the well-being of every child is nurtured and supported. . . . in which families have sufficient time together at home to nurture relationships, to care for children and other dependents, and to worship God together.²⁹

Yet it is through paid work that most families gain their essential access “to sufficient economic resources to support the household and care for dependents.”³⁰ Paid work clearly impacts the quality of our communities and our families. It has the power to enhance or deny human dignity and well-being. All of our uniquely human capacities, our cultural creativity, spirituality, and moral sensitivity, require a sufficiency of basic material support (needs). Therefore, the assumption that efficiency and profit are the only legitimate goals of economic institutions is false. The church challenges any economic system that ignores its responsibility to provide the material conditions that support human dignity and encourage the development of human capabilities. For these reasons, the church has long called for economic and political policies that support full and fair employment, including the following principles from *God's Work in Our Hands*:

- The foundation upon which all just employment policies are built is access to employment at a level of compensation that allows people to live in dignity and security. . . .
- Inequalities in compensation and working conditions demand the strictest scrutiny
- All conditions of paid employment, including compensation and working conditions, should sustain and nurture the dignity of individuals, the well-being of households and families, the

social cohesiveness of communities, and the integrity of the global environment.³¹

To achieve these and other just employment conditions, the church affirms that people must have the opportunity to participate in economic decisions that will impact them. Thus, the church has long endorsed the right of all workers to choose to organize for collective bargaining.³² A *Social Creed for the 21st Century* reaffirms “The rights of workers to organize, and to share in workplace decisions and productivity growth.”³³

In contrast to these principles, recent decades have seen stagnation in the wages of most nonsupervisory workers and a weakening of workers’ organizations. The percentage of workers covered by employer-based health insurance is declining, as is the percentage covered by pensions. Fewer pensions provide a guaranteed income at retirement. Job elimination has often become the first step in cost reduction. However, in these same decades, the compensation of executives has soared even as the middle class feels increasingly squeezed. In 2007 the average CEOs of major companies earned 275 times what average (nonsupervisory) workers made. Twenty years earlier the ratio was 71 to 1.³⁴ Clearly, the benefits of increased productivity have shifted away from most workers and communities to concentrate within the highest levels of management and the primary owners of stock.³⁵ And when the capital gains or profits from securities are taxed at only half the rate for “earned income,” economic inequality is further reinforced.

Christian discipleship calls us to challenge these practices. We do that when we embody our biblical and Reformed values in our own institutions and work for their embodiment in our secular economy. Christian faith calls us to pray for the imagination, courage and commitment that such discipleship will require.

5. The challenge of **Sustainability** revives the importance of a tradition of frugality. For some, unfortunately, the word frugality has come to mean a rigidity and austerity that wrings out joyful living. However, in the Reformed tradition its true meaning refers to the virtue of living with moderation as recipients of Christ’s love and as loving neighbors of all others. Its meaning calls upon us as individuals, households, and economic institutions to apply an ethical discipline to our production, distribution, and consumption. It calls upon us to consider the good of all,

the covenant community, in which we live – now a global community. John Calvin summarized frugality this way:

We are the stewards of everything God has conferred on us by which we are able to help our neighbor, and are required to render account of our stewardship. . . . the only right stewardship is that which is tested by the rule of love.³⁶

Today, the word “sustainability” expands our understanding of frugality to include the protection of the planet and the real limits of the environment to support an ever-expanding human economy. In the face of poverty and ecological devastation, frugality oriented towards sustainability is an urgent moral responsibility for each of us. Clearly this ethic raises a moral challenge to lifestyles that consume many times over the consumption level of average Americans. However, as those of us who are “average” learn that our lifestyles would require the resources of 4 or more planets if copied by everyone on earth, we too are confronted by the moral challenge of this ethic. In contrast to endless consumerism, the values of frugality and sustainability challenge us to redefine our material needs in light of the needs of others who are our neighbors and God’s children. It challenges us to redefine our material needs in light of the needs of future generations. And it challenges us to redefine our material needs in light of the needs of the earth which first and ultimately belongs only to God.

E. *The Church’s Call to Witness*

Biblical and Reformed values raise significant questions about the way our economy functions, its assumptions and its values. As one Presbyterian study document put it almost three decades ago,

What is clear is that our corporate economic life is now committed to and fosters a new notion of humanity, one deeply antithetical to our Christian convictions.³⁷

If that is true, even if only in part, then we as Christians are called to envision a new economic paradigm, a new way of incorporating biblical values into economic life. While this challenge is great, it is not impossible. Indeed, the knowledge and wisdom it will require could emerge now out of the experience of our congregations

and communities in this time of unjust loss and suffering. As a human creation, a dysfunctional economy can be re-shaped by a Christian response of witness and action. What can we do, as individuals, congregations, and denomination?

First, we can acknowledge our responsibilities. We can neither look away from these issues, nor claim a stance of neutrality. As individuals, families, congregations and denomination, we are the economic actors who participate in making things the way they are. Some of us benefit materially a good deal more than others of us from a system that today has produced a level of inequality not seen since the 1920’s. Some of us are experiencing an extent of material loss and insecurity that we never imagined could happen to our responsibly led lives. Some of us have suffered such conditions long before the present recession, particularly in our racial/ethnic communities. As members of one Body, we must look to one another and discover the connections between our different experiences. Answering the question, “Am I my sister’s and brother’s keeper?” requires that we come to know our sisters and brothers, globally as well as locally, and learn how our lives intersect, for better or worse, through our economic choices.

Second, we can study and learn together. Economics is not the monopoly of economists. How a society organizes the economic activity that sustains life will be rooted in the beliefs and values of all its members. Experts can be helpful in explaining how things work and how they came to be this way. They can provide important social analysis that helps us to understand the issues we face. There will be disagreement among them, requiring us to read diverse sources and perhaps frustrating us. At this time, after the successive collapse of speculative “bubbles” in the technology and housing markets, beliefs in the “rational expectations” and “efficient markets” theories have been widely discredited.³⁸ In reaction, the economics field is shifting back to valuing the stabilizing role of government stimulus and the security of public investment. But we must remember that experts have no greater moral expertise in these times than do the people of God gathered to discern the will of God. Even if markets were rational, infallible and self-correcting, experts cannot answer for us the ethical question: how should things be?

We understand that our biblical and theological values call us to behave at variance with some of the values shaping our society and its economy. As we seek ways to live our values, we can make use of our church's social witness policies. We can seek out the organizations working with those who struggle daily to sustain themselves and their families, in our neighborhoods and around the world. We can and should educate ourselves on these issues. Guided by our alternative vision of economic life, we can turn back to experts and ask the question "how?" How can we today, as individuals, as congregations, as citizens and as economic actors in many locations, bring our Christian values into our economic behavior?

Third, we can choose to produce, distribute and consume differently. We do not work to earn money for social status; rather, we work to help our neighbors and give glory to God. We do not see wealth as a reward and a license to consume, but as a social responsibility. We recognize that individuals flourish best in a society that defends the human rights of all and maintains the common good. We have learned to look at any product or service and see within it our sisters and brothers whose labor made it available to us and the sun, rain, and earth from which it came. We can raise moral questions about who produced what we use and under what conditions. We can question and resist the growing inequality in our society. We can reflect on the power of consumerism in our own lives. We can resist the frivolous use of the earth's resources.

Fourth, we can advocate for public policies that reflect our economic values. The Presbyterian Church (U.S.A.) has a long and distinguished history of serious study about and theological reflection on the issues of its day. As Christians in the Reformed tradition, we understand our responsibility to help shape the common good through our support for democratic government, our engagement in political processes, our social witness to those processes, and our principled advocacy at all levels of government. Therefore, it is appropriate for us to apply these understandings to the current economic crisis and to advocate, as individuals, congregations, and denomination, for those policies and practices of business and government that best embody them. We advocate for such policies with faith that God is working through us in these times to establish more fully God's *oikonomia* among us.

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Endnotes

1. These data can be found in the following resources:
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9. John Cassidy, 2010. "After the Blowup," *The New Yorker*, January 11, 2010, pp. 28–33.
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11. The Greek root of the English word "economy."
12. *God's Work in Our Hands: Employment, Community, and Christian Vocation* (207th General Assembly, 1995), 8; see also *Minutes*, 1995, Part I, pp. 424ff).
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14. *The Book of Confessions* (Office of the General Assembly, 1999), 218 (7.250–7.251).
15. *A Reformed Understanding of Usury for the Twenty-first Century*, 217th General Assembly (2006), p. 16; see also *Minutes*, 2006, Part I, pp. 810–11.
16. *Hope for a Global Future: Toward Just and Sustainable Human Development*, 208th General Assembly (1996): 1; see also *Minutes*, 1996, Part I, pp. 524ff, cf. 525.
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34. Mishel, Bernstein, Shierholz, p. 220.
35. *Ibid.*, 275. Between 1989 and 2004, 77 percent of the growth in stock wealth went to the wealthiest 10 percent of households. In 2004 households with incomes above \$250,000 (i.e., 2.5 percent of all households) owned 44 percent of all stock.
36. John T. McNeill, ed., *Calvin: Institutes of the Christian Religion* (Westminster Press, 1960), pp. 695–96.
37. Office of the General Assembly, *A Study of the Theology of Compensation: Study One*, lines 295–296.
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