



Government and Economics: Capitalism Vs. Communism

SEPTEMBER 30, 2013

During the next ten weeks I want to focus in on Government and Economics. This is a large subject and I would like to break it down into 10 specific areas for biblical examination: What does the Bible teach in regards to the Government's role in each of the following?

Capitalism Versus Communism (this week)

Economic Development

Money Supply

Free Markets and Regulation

The Rich and The Poor

Business

Taxes

Social Security

Health Care

Curing Recessions

All of these matters are of critical importance to elected leaders and it follows that you should know what the Scriptures teach about each. I will be drawing on some of the research that my good friend Dr. Wayne Grudem has developed on these categories in his insightful book *Politics According to the Bible*. My desire and prayers are that this series of studies will greatly aid you in your thinking.

Weekly Bible Study During Session

Wednesday Mornings 8:00 AM Sharp. Capitol Building Family Room H324
Hot Breakfast Served.

Robert Aderholt, *Alabama*
Michele Bachmann, *Minnesota*
Spencer Bachus, *Alabama*
Marsha Blackburn, *Tennessee*
Jim Bridenstine, *Oklahoma*
Paul Broun, *Georgia*
John Campbell, *California*
Tony Cardenas, *California*
John Carter, *Texas*
Bill Cassidy, *Louisiana*
Howard Coble, *North Carolina*
Michael Conaway, *Texas*
Kevin Cramer, *North Dakota*
Rick Crawford, *Arkansas*
Steven Daines, *Montana*
Jeff Denham, *California*
John Duncan Jr., *Tennessee*
Mary Fallin (Gov.), *Oklahoma*
John Fleming, *Louisiana*
Bill Flores, *Texas*
Randy Forbes, *Virginia*
Trent Franks, *Arizona*
Scott Garrett, *New Jersey*
Louie Gohmert, *Texas*
Tom Graves, *Georgia*
Tim Griffin, *Arkansas*
Ralph Hall, *Texas*
Gregg Harper, *Mississippi*
George Holding, *North Carolina*
Bill Huizenga, *Michigan*
Randy Hultgren, *Illinois*
Bill Johnson, *Ohio*
Jim Jordan, *Ohio*
Steve King, *Iowa*
John Kline, *Minnesota*
Doug LaMalfa, *California*
Doug Lamborn, *Colorado*
James Lankford, *Oklahoma*
Cynthia Lummis, *Wyoming*
Mike McIntyre, *North Carolina*
Mark Meadows, *North Carolina*
Gary Miller, *California*
Jeff Miller, *Florida*
Randy Neugebauer, *Texas*
Allen Nunnelee, *Mississippi*
Steve Pearce, *New Mexico*
Mike Pence (Gov.), *Indiana*
Robert Pittenger, *North Carolina*
Mike Pompeo, *Kansas*
Bill Posey, *Florida*
Tom Price, *Georgia*
Reid Ribble, *Wisconsin*
Cathy McMorris Rogers, *Washington*
Austin Scott, *Georgia*
Tim Scott, *South Carolina*
Lamar Smith, *Texas*
Steve Southerland, *Florida*
Steve Stockman, *Texas*
Marlin Stutzman, *Indiana*
Glenn Thompson, *Pennsylvania*
Scott Tipton, *Colorado*
Tim Walberg, *Michigan*
Randy Weber, *Texas*
Daniel Webster, *Florida*
Lynn Westmorland, *Georgia*
Roger Williams, *Texas*
Joe Wilson, *South Carolina*
Rob Wittman, *Virginia*
Steve Womack, *Arkansas*
Rob Woodall, *Georgia*
Ted Yoho, *Florida*



I. INTRODUCTION

As you can see by the picture I have chosen to depict the subject of this week's study, a powerful and emotive scene from the movie *Far and Away* wherein Tom Cruise is on a wild horse chasing out westward the morning of the great and historic *Oklahoma Land Rush* of 1889, at one time the American Government gave away private property rights to its citizens! Things are quite different now.

But first note: No, this is not a picture of **James Lankford** headed for DC after his election to Congress. Looking through the lens of enthusiasm I know it's hard to tell the difference (psst: but notice the black hair).

The Bible is pro-private property. There are many passages that support this. Accordingly, all Governments should be pro-private property. God knows that personal ownership of private property is fundamental to every individual's ability to be able to express his or her being created in His image (I will unpack that idea in this study). In addition, private property rights are fundamental to personal and national fruitfulness (we will see examples of this in what follows).

The biblically-based political ideology of private property ownership stands in absolute and distinct contradiction to the political ideology of Communism. As Karl Marx said in his *Communist Manifesto*, "the theory of the Communists may be summed up in a single sentence: the abolition of private property." If the difference between Capitalism and Communism are that clear cut in Scripture, can you explain why from Scripture?

IT IS ONE THING TO SAY YOU ARE "ANTI-COMMUNIST," BUT CAN YOU REASON WHY FROM SCRIPTURE?

It follows that you should be able to give a basis for Capitalism via the use of God's Word. This study is designed to aid you in those regards and form personal and political convictions based upon

God's guidance as explicated in His Revelation. Before building a scriptural case for private property and Capitalism, let us first begin by investigating the precedent that God is the ultimate owner of everything.

II. PASSAGE ON GOD'S ULTIMATE OWNERSHIP OF ALL PROPERTY

Scripture teaches that God is the ultimate owner of the earth and all that is therein – not communist Governments – and that He desires individuals to be His stewards of it. Note this first point in Psalm 24:1 and Deuteronomy 10:14 respectively....

The earth is the Lord's and all it contains, The world, and those who dwell in it.

Behold, to the LORD your God belong heaven and the highest heavens, the earth and all that is in it.

In granting stewardship, He entrusts the responsibilities of management to the top of His creative order: Man, whom He created in His image, unlike all other aspects of His creation.. This fundamental idea is conveyed in Genesis 1:26-28....

Then God said, "Let Us make man in Our image, according to Our likeness; and let them rule over the fish of the sea and over the birds of the sky and over the cattle and over all the earth, and over every creeping thing that creeps on the earth." 27 God created man in His own image, in the image of God He created him; male and female He created them. 28 God blessed them; and God said to them, "Be fruitful and multiply, and fill the earth, and subdue it; and rule over the fish of the sea and over the birds of the sky and over every living thing that moves on the earth."



Government and Economics: Capitalism Vs. Communism

Part 1 of 10

Incumbent in man's stewardship role over all of creation, God uses the descriptor **subdue** *kabash* which means, "to bring into servitude." In Numbers 32:22&29, and Joshua 18:1 this same word is used in the sense of parallel contextual meaning: Israel is to **subdue** the land of Canaan so that the land would serve Israel. Importantly, the contextual usage of *kabash* in Genesis 1 pertains to God instructing those in His creation who are made in His image to discover, understand, develop, utilize and enjoy all the earth's abundant resources. Man is to carry out this stewardship responsibility with respect and thanksgiving to God. Having first established this principle of God's ultimate ownership, the following point need now be made:

**IN GOD'S ULTIMATE OWNERSHIP,
SCRIPTURE REPEATEDLY
COMMUNICATES – IT IS SAID – THAT
THE PROPERTY BELONGS TO HIS
STEWARDS, INDIVIDUALS**

Notice the word *individuals*. This is in apposition to the idea of God conveying property ownership to government, society or a nation as a whole. This conveyance of ownership by God to man is evidenced in the following passages....

III. PASSAGES ON PERSONAL PROPERTY RIGHTS

There are a myriad of passages that evidence God's expectation of personal ownership of His property – versus implications of governmental or societal ownership of His property. Here are some of those.

A. THE EIGHTH COMMANDMENT

You shall not steal

Exodus 20:15 above presumes that people own something that can be stolen. For instance, I cannot take my neighbor's donkey because it belongs to my neighbor. Or as a modern example you cannot

search through my email files unbeknownst to me; to do so is simply stealing.

B. THE TENTH COMMANDMENT

You shall not covet your neighbor's house; you shall not covet your neighbor's wife or his male servant or his female servant or his ox or his donkey or anything that belongs to your neighbor.

Exodus 20:17 above, addresses the heart. **Covet** *chamad* in this Hebrew passage and *Epithumeo* in Greek (cf. Rom. 7:7) means "a strong desire; wantonness." As used in this context, it is the desire to take from another what rightfully belongs to them. Note specifically that the passage does not say those things **belong** to the community or the government; three times the passage uses the word **neighbor** *rea* meaning "a person, friend or fellow."

C. IRRESPONSIBLE OWNERSHIP

If, however, an ox was previously in the habit of goring and its owner has been warned, yet he does not confine it and it kills a man or a woman, the ox shall be stoned and its owner also shall be put to death.

Exodus 21:29 above, uses the word **owner** *baal* in relation to, in this case, being an irresponsible steward of what Moses (the author of Exodus and all five of the first books of the Bible known as the Torah) infers he already possesses. To **own** something means you are legally connected to it, to the extent that one can be found personally liable for damages. Such laws today, stemming from the Torah and its assumption of personal property rights, prove motivational to being a good manager! Save pride of ownership, such laws in turn breed personal asset management skills and its upside: the creation of value added product, a biblical, economic virtue unknown in biblically ignorant or biblically defiant communist nations.

**D. MOVING A LANDMARK**

You shall not move your neighbor's boundary mark, which the ancestors set....

Deuteronomy 19:14 above, speaks to the sin of moving the boundaries of land **owned** by another person. Proverbs 23:10 adds in this regard....

***Do not move the ancient boundary
Or go into the fields of the fatherless.***

Each of the two stanzas of this Proverb serve to give insight into the meaning of the other. Private ownership is in view here: It is unwise to attempt to steal another person's property because they are deemed unable to defend what is rightfully theirs.

E. THE YEAR OF THE JUBILEE

Now our subject of study becomes increasingly interesting. Even Capitalism is not a perfect national economic system in a fallen world: No economic system is perfect in a fallen world! Churchill once quipped, "Democracy is the worst form of Government, save all the others!"

Every 50 years, Israel's people were to hit the restart button on their personal property/capitalistic economy. Akin to playing Monopoly today wherein one or two players in time will monopolize all the properties (don't play Monopoly with my wife by the way), in a fallen world some people inevitably become economic juggernauts. As a result, others cannot compete or gain wealth even though it is a personal-property-based culture. Accordingly, God instructed Israel to regularly invoke the Year of the Jubilee. Every five decades the tables were to be reset in every way (cf. 25:8-55). Private property ownership was to return to the family who originally owned it from the one(s) who bought it. (There is no evidence however, suggesting that Israel ever practiced this). Leviticus 25:10 states....

You shall thus consecrate the fiftieth year and proclaim a release through the land to all its inhabitants. It shall be a jubilee for you, and each of you shall return to his own property, and each of you shall return to his family.

This passage is a Bible study in its own right, as it applies to Capitalism. I.e. personal property ownership is not a perfect cure-all in a fallen world but nonetheless is a better basis for economic prosperity than all other alternatives. Relative to this week's study, the point to be underscored from Leviticus 25 is this: **each of you shall return to his own property**. As in the other passages aforementioned passages, God's endorsement of personal ownership of property (even with its faults) is in view here.

**F. SUMMARY OF PASSAGES ON
PERSONAL PROPERTY RIGHTS**

The Bible speaks repeatedly regarding the best way for the economic creation and well being of a nation to occur: via a Government allowing private property rights. With the caveat of the Year of the Jubilee concept, it is safe to say....

**GOD IS A CAPITALIST
NOT A COMMUNIST**

The aforementioned five passages illustrate and affirm that one of God's fundamental principles for Government is that it is to grant private ownership rights to individuals.

As will now be seen, this is God's intended economic principle that is necessary for achieving, economically speaking, a proper functioning, fruitful and prosperous nation in a material sense. (Note that the Bible does not deem material things as evil; such thinking is a faulty dualism and the subject of other studies). To violate God's principle of private ownership, that is, to enact some form or level of Communism in a state is patently unbiblical

**Government and Economics: Capitalism Vs. Communism****Part 1 of 10**

and will lead to the demise of a nation's economic engine, growth and the well being of its people.

IV. THE NATURAL TENDENCY OF GOVERNMENT TO OVERREACH

In a greater-than-just-material-concerns sense, God has ordained four other separate institutions that He intends to function simultaneously and independently of Government in order to best achieve His purposes and herald the riches of His grace (cf. Eph. 2:7) in a fallen world prior to His Second Coming. The institution of Government is only one of those five co-equals. Albeit, Government does what it does better than the other institutions: in two words it suppresses evil. But the other four institutions, Marriage, Family, Commerce and the Church, do what they do better than Government! Government cannot accomplish in a nation nearly as good what the other four achieve: Marriage *promulgates*; the Family *cultivates*; Commerce *invigorates*; and the Church *translates*. Those theological pillars are fundamental to a biblical worldview and serve to qualify the role of Government. What is also in view, given this contextualization is this....

THE INSTITUTION OF GOVERNMENT IS ALWAYS ON THE PROWL DESIRING TO PLAY IN THE SANDBOX OF EVERY OTHER INSTITUTION

But it makes a mess of things whenever it does! Left to roam, it soon wanders outside its God-designed purpose: it perverts marriage; it stymies the Family; it encroaches on the Church; and left to its self-centered ways it begins to overstep Commerce – by eroding or attacking private property rights! Government it seems finds the physique of *Jabba The Hutt* attractive.

The preponderation of Government is nothing new. The Prophet Samuel spoke to Israel about the increasing pervasive nature of Civil Administrations when Israel first mentioned the idea to him that

they wanted their own King. Notice his sage response to the nation Israel in 1Samuel 8:10-18....

So Samuel spoke all the words of the LORD to the people who had asked of him a king. ¹¹ He said, "This will be the procedure of the king who will reign over you: he will take your sons and place them for himself in his chariots and among his horsemen and they will run before his chariots. ¹² "He will appoint for himself commanders of thousands and of fifties, and some to do his plowing and to reap his harvest and to make his weapons of war and equipment for his chariots. ¹³ "He will also take your daughters for perfumers and cooks and bakers. ¹⁴ "He will take the best of your fields and your vineyards and your olive groves and give them to his servants. ¹⁵ "He will take a tenth of your seed and of your vineyards and give to his officers and to his servants. ¹⁶ "He will also take your male servants and your female servants and your best young men and your donkeys and use them for his work. ¹⁷ "He will take a tenth of your flocks, and you yourselves will become his servants. ¹⁸ "Then you will cry out in that day because of your king whom you have chosen for yourselves, but the LORD will not answer you in that day."

When Government goes unchecked it begins to **take** from the people, confiscating more and more for itself. The word **take** appears *six times* in this passage! Be on guard: Runaway Government is normative in a fallen world! Therefore, as exegetically substantiated in the previous point....

**IT IS GOD'S BLUEPRINT FOR A NATION'S PEOPLE
— NOT ITS GOVERNMENT —
TO POSSESS THE BULK OF PROPERTY AND WEALTH OF THE NATION**



It follows that Government – according to the Bible – must be kept in check lest it begin to think it can achieve for its people tasks that are better suited for fulfillment by God’s other ordained institutions.

The role of Government is limited to and most efficient when rewarding those who do good (i.e. in part those who provide jobs for others due to their giftedness should be rewarded and not penalized so as to encourage them to create more jobs and wealth for the nation) and punish those who do evil (provide a strong judicial system internally and a strong military force externally) (cf. Romans 13:1-8). When Government begins to step outside of its biblically specific purposes it becomes vastly, ghastly and monstrously inefficient, resulting in the eventual if not immediate eclipse of its citizenry and their liberties, thereby lessening their personal abilities and resourcefulness to reflect the attributes of God to others.

V. PERU, PRIVATE PROPERTY AND POVERTY

Peru is a good example of how the violation of private property principles entraps a nation in poverty. The denial of private property rights does not always rest on the shoulders of communist ideology; sometimes it results in supposed capitalist countries such as Peru (what I call CINO countries: “Capitalist In Name Only”).

The brilliant work of Peruvian economist Hernando de Soto serves to substantiate the aforementioned biblical principle of private property, and its absence being the root cause of poverty. When Governments hoard private property rights by making their attainment next to impossible, they stymie the creation of wealth in their own nation. Such policies are extremely sort-cited! The root cause of poverty is this: with no ability to gain working capital due to a lack of collateral from property ownership, one cannot enter the capital market and germinate a product or

service. Desoto’s team attempted to build a house in Peru. Here is what they went through....

To obtain legal authorization to build a house on state-owned land took six years and eleven months requiring 207 administrative steps in 52 government offices.... To obtain a legal title for that piece of land took 728 [additional] steps.

States Grudem regarding DeSoto’s similar attempt to obtain a permit to build a small garment workshop on the outskirts of Lima....

They worked at the registration process six hours a day and it took them 289 days! The cost was the equivalent of \$1,231 US dollars, or thirty one times the monthly minimum wage equivalent (approximately three years salary for the ordinary person living in Peru.

Desoto has documented similar roadblocks in the countries of Egypt, Philippines and Haiti. Property ownership is next to impossible in many third world countries, thereby trapping its citizenry in poverty! It is as if these country’s citizens are living in a communist country. *This is not God’s design for Government!* Such backward, biblically negligent manifest governmental ideology serves to illustrate the wisdom of God’s ways. Likened to America and the Government giveaway of land in 1889, as the individuals prosper from private property rights, so does the whole of the nation and its administration.

Unfortunately however, as America jettisons its trust in the Torah, it follow that there would be and are increasing threats to, and the erosion of private property ownership....

VI. AMERICAN ENVIRONMENTALISM, PRIVATE PROPERTY AND POVERTY

After taking ten years to develop (and after only 25 years of operation, now closed) the San Onofre nuclear power plant in San Clemente, California, due to incessant lawsuits and subsequent delays caused by environmental groups, the executive of the utility company championing the project,

**Government and Economics: Capitalism Vs. Communism****Part 1 of 10**

Southern California Edison concluded that that would be their utilities' last sortie into the nuclear power arena. As a result, the utility has not attempted to build another power plant on their private property.

When Environmentalist and their choking, imbalanced regulations descended on the logging industry in the Northwest, claiming the Spotted Owl was an endangered species (an owl that is a facsimile to the California Spotted Owl which is in abundant supply), they greatly diminished the industry. 50,000 jobs later, owners can no longer harvest lumber at will from their private property.

GOVERNMENT AND SECULAR ENVIRONMENTALISM

Having personally majored at UCLA in Ecosystems, and climbed extensively in the High Sierra since my childhood, it is evident to the objective student of this subject that it is sometimes biblically uninformed policies that lead to species endangerment. To illustrate, the Bighorn Sheep of the Eastern Sierra are rightfully classified as an endangered species. But the reason is because three National Parks eclipse a large portion of their natural habitat. The NPS is governed by a preservationist philosophy (whereas the U.S. Forest Service operates under a conservationist philosophy, a tension that stems from the historic debates between Mather and Pinchot during the formation of the NPS). The outworking dictations of a preservationist philosophy in our National Parks means one cannot hunt *any* wildlife (and boy do the animals know it!) In the case of the Bighorn Sheep that means man cannot glean its predator: the Mountain Lion. The uninhibited growth of the Mountain Lion population is the reason why the sheep are endangered. Make no mistake, it is the secular environmental policies of the Government – uninformed by Genesis 1:26-27 – that represent the real threat to the Bighorn Sheep in the Sierra.

In Santa Cruz, California, environmental policies make it impossible to trim the trees on one's own

private property even when their overgrowth is a fire threat.

These three cameos serve to illustrate the encroachment of Government on Commerce and private property. In California, where our family has resided for three generations, there has been a huge stagnation in development (especially compared to Texas) since the adoption and requirement of *Environmental Impact Reports*. The bottom line is that even though private property exists, the economic benefits God intends from private property ownership have been greatly diminished. Viewed through the lens of developable land, it is the Government that now in essence owns the land! What a huge philosophical about-face from the days of the *Great Oklahoma Land Rush!* Such policies, biblically speaking, are and represent the recipe for and road to poverty.

Additional erosion of private property rights occurred under President Clinton when during his tenure he issued executive order 13061 whereby 10 additional rivers per year will become federal property even if they flow through private land. Both Presidents Clinton and Obama have enacted orders that confiscate millions of acres of private land that will be effectively removed from private use forever.

In summary of this point, it is the private ownership of land that best serves the continuing prosperity of *any* nation! One only need study or visit the diminution of Russia under Communism, or inalterable India under Hinduistic Animism – both being lands of plentiful natural resources but yet stuck in the plight of poverty – to, by way of comparison, recognize the virtues of a Torah-driven private property rights culture such as has existed in historic America. It is hard to imagine that our nation would ever even contemplate changing horses after ridden an Old Testament stallion for so long – and experienced the absolute incomparable thrill of that ride for so many years! *Beloved, what are we thinking????!!!*



VII. BIG GOVERNMENT, PERSONAL LIBERTY AND REFLECTING THE IMAGE OF GOD

As Government grows it eclipses personal liberty. As personal liberty diminishes, so does the individual's ability to reflect the glory of God to others. What do I mean by this? One example is personal wealth. When an individual prospers they have more to share with others: They have the opportunity to reflect, in this case, the grace of God by giving to the needs of others. Often such expressions of love lead to the Gospel and Salvation. This is in juxtaposition to Government taxing the wealth of individuals thereby denuding them of their personal resourcefulness with the belief that it can meet the needs of others more effectively. But in truth, God did not ordain Government to play this role, and it is woefully wasteful and inefficient when it attempts to meet the needs of citizens – especially their real, spiritual needs for regeneration in Christ.

When Government sticks to its God-ordained job description it achieves what other institutions cannot, and it simultaneously empowers its citizens with individual liberty to reflect the glory of God to other people.

VIII. SUMMARY

The right to personal property, also known as Free Enterprise or Capitalism, is the governmental economic system supported by Scripture. Scripture does not support Communism. Whereas the former leads to a prosperous nation, the latter leads to a poverty stricken nation. Historic America serves as a wonderful illustration of this biblical axiom. Accordingly, as lawmakers, do not make an ideological shift at this point in our history. Do not jettison our prosperous past that has been so beautifully informed, and made possible by adherence to the Mosaic Law contained in the Torah regarding personal property rights! So to speak....

DO YOU DARE REMOVE THE BUST OF MOSES FROM ITS CENTRAL PLACEMENT OVER THE MIDDLE ISLE OF THE FLOOR? HIS IMAGE MIGHT REMAIN IN PLACE, BUT DO YOU NOTE WHEN YOU VOTE?