The Christian Response to Globalization: Work and Dispossession for the Sake of Another Casey Balikian



The market-driven economy has increased human flourishing in the western world but it is also coincident with outrageous levels of global wealth inequality; scholars have long wondered if this trade-off is inevitable. I suggest that it is not, and that Christians should not be surprised that governmental mechanisms meant to prevent or combat this inequality are unable to create a viable solution. Throughout the Bible, the responsibility to care for the poor and oppressed is consistently assigned to the Church because a sustainable solution will only come through Christians who are willing and able to creatively and radically use their wealth for the benefit of others.

THE ISSUE WITH GLOBALIZATION

Markets are the primary drivers of globalization. The modern western ethos of competitively seeking progress and development came as a side-effect of the Enlightenment and gave rise to the Industrial Revolution in the 18th century. Since then, western society has never looked back—for better or for worse. Resulting processes have taken us to previously unimaginable medical, financial, mobile, and communicative heights, but these same processes have also created more than their fair share of issues in the globalized world.

Maddison's depiction of the Great Divergence (Figure 1) uses estimations of GDP per person before and after the middle of the 18th century to illustrate the biggest issue that a global economy must contend with. Although there are some questions about the exactness of Maddison's data, there is an undeniable departure of western countries from the rest of the world which is anything but insignificant. Data from the World Bank in 2015 corroborates this story as it recorded GDP per person in the United States at \$56,115.70; that same measurement in Brazil yielded a result of \$8,538.60, and in Ethiopia it was \$619.20 per person per year.

There is clearly a serious issue here, but I want to be very specific about what that issue is and what it is not. The issue is not that western societies have developed and implemented systems and institutions which generate great wealth. Instead, the problem is that economic growth has overly stratified the world's population by elevating an elite upper class and leaving others behind. Many of those who had average welfare before industrialization got stuck on the outside of the revolution and are now trapped in horrendous relative poverty. To make matters worse, not only are these people excluded from the benefits of globalization, but most of their contact with the progress of the western world has been on the same level as a pack-mule's contact with precious cargo.

Despite Christians' explicit call to care for the poor and oppressed (c.f. e.g. Matthew 19:16-30; Luke 4:18-19, 12:13-34, 16:19-31; 1 John 3:16-18), we have

not yet formulated an adequate approach for doing so considering the challenges of globalization.

POTENTIAL SOLUTIONS

On the face of the matter, there are two potential approaches we could take: we could either advocate to get rid of the free market structure which stoked these social stratifications, or we can attempt to mitigate the detriments of the market without losing its benefits in the process. It should be noted that there are some remnant Marx disciples who advocate for the former option due to their conviction that an inequality-breeding market economy should be replaced by a model of full redistribution. However, most modern economists support a market-driven economy because they recognize that a certain degree of wealth inequality is both healthy and necessary in promoting maximum human flourishing through innovations and inventions.¹

A simple example is helpful in illustrating this point: Nancy is an engineer who just created the first washing machine ever. For her to sell her innovation to a buyer, the buyer must be willing to pay δ for it. When there is a willing and able buyer, the result is a pareto optimal transaction (a transaction after which neither party is worse-off) wherein wealth inequality is created; assuming both parties entered the transaction with equal wealth, Nancy is now δ^2 wealthier than the buyer. In this market-driven economy, it is expected that Nancy and other innovators would end up wealthier than most of their peers-this relatively moderate inequality is evidence of a healthy economy with full participation. On the other hand, if full redistribution were mandated, there would be no incentive for Nancy to produce a washing machine in the first place because the personal benefit for her would not exceed the personal sacrifice of learning and applying engineering to a new problem, marketing her innovation, etc.² In this alternative economy, there would be no innovations or inventions and total human flourishing would suffer.

The question, then, is this: do innovations and inventions contribute so greatly to human well-being that they are worth risking the criminal levels of inequality that can (and do) arise when members of the global community are excluded from or used by the global economy? The difficult answer is yes for the following reasons: It is hard to demonize advanced health care technology considering drastically improved health outcomes world-wide. Additionally, advanced transportation and communication systems present obvious benefits to a world where people, cultures, and institutions across the globe are connected. Finally, agricultural technology allows farmers to grow crops more efficiently, providing more food for an ever-growing world population. Without markets and market-driven globalization, these things could not have come into existence and prominence on a world-wide, and human flourishing would have been infinitesimal comparatively.

I have argued that working with market-driven economies is the best way to promote flourishing for the impoverished and oppressed world-wide. Consequently, Christians need to take seriously the task of coming up with creative ways to mitigate the extraordinary level of wealth inequality that exists in the world.

ONE SUGGESTION FOR CHANGE: PULLING THE POLITICAL LEVER

Empirical studies corroborate the idea that the free market economy is effective in this regard: "poverty reduction can be achieved by means of closer economic integration and higher levels of globalization."³ However, M.D. Litonjua is uncomfortable with positing further globalization as a viable cure for its own ailments. Instead, he leans on Gutierrez's preferential option for the poor to advocate for what he calls "pro-poor economic growth," a type of economic expansion "that is promoted by specific public policies geared towards

¹ The terms "innovation" and "invention" are used here in the same way the Joel Mokyr uses them in his book *The Lever of Riches*. Innovation is perfecting or creatively applying an invention (e.g. the steam engine is an invention, the locomotive is an innovation). Inventions benefit society significantly more than they benefit the inventor.

² An important assumption is made in the economic theory that is applied here: people are not altruistic. This assumption is active in the entire corpus of accepted economic theory, and is therefore accepted here without hesitation.

³ Andreas Bergh, Therese Nilsson. 2014. "Is Globalization Reducing Absolute Poverty?" World Development. 62: 56.

the common good, most especially toward the welfare of the vulnerable, the poor, the oppressed, and the marginalized of society."⁴ His proposal and others like it tend to be posited by liberation theologians and usually lack specificity about the policies which could stimulate this type of expansion, but it can be deduced that Litonjua is referring to some sort of global wealth redistribution for the benefit of the "bottom billion."

Litonjua advocates for global wealth redistribution because he recognizes that the local solution of national wealth redistribution is not only crippling to the prospect of innovation and invention as discussed above, but it is repulsive to wealth generating corporations. Any single government which raises taxes and wage rates to engage in sovereign wealth distribution will lose a significant portion of its wealth generation corpus.⁵ This is due to the fact that corporations can circumvent the actions of a single political unit without skipping a beat by becoming multinational, leaving that sovereignty as a whole worse-off. Sovereign inequality may decrease in the original country as a result of these policies, but this would not be due to a rising lower-class; it would be due to the relocation of the more competitive, higher-earning industries, resulting in the fall of the upper- and middle-classes. Furthermore, the same inequality problems which were unacceptable in the original country would inevitably arise in the next country. So in this scenario, while it may be true that there is less inequality in the original country, there is also less human flourishing world-wide-this is not a viable option. If redistribution is to be a viable proposition, it must be done in the way that Litonjua insists, in unanimous global solidarity with the poor.

This type of global movement—which would insist that every sovereign nation should agree to enact policies of global wealth redistribution would likely prevent the corporate circumvention described above. However, it is economically and anthropologically naïve to suggest that the result would be a net increase in human flourishing. First, the global economy that this type of governance would produce perfectly resembles the second economic situation that Nancy faced above; it would be disastrous to the prospect of entrepreneurial innovation and invention. There would be a reduction in world inequality, but it would happen via a fall of the upper- and middle-classes rather than via a rise of the lower-class.

Second, it is a naïve view of human nature to suggest that solidarity with the poor will triumph over the pursuit of wealth in every democratic nation, let alone those nations with corrupt governances. Even the political processes in "non-corrupt" democratic nations are infused and controlled by special interests with money derived from the market economy, and in other countries corruption is both known and expected. Even if humanitarianism were to somehow win the day and all of these governments agreed to redistribute wealth, there would still be a sizeable problem in those countries which do not have enough wealth to contribute to the process in any kind of a meaningful way. Then, world leaders would be faced with a decision: they be forced to either transform the country into a state which produces enough wealth to support itself, or to simply provide aid indefinitely. Neither of these are good options. Hernando de Soto, in his book The Mystery of Capital, outlines what types of reforms it would take to transform a "dead" economy's institutions into those which are conducive to sustained growth—the process would look more like a neo-colonial western takeover than economic empowerment.⁶ Furthermore, as Novak and Cooper point out, "handouts to improve economic conditions [would] have to be continued indefinitely if the beneficiaries are not to relapse into their original state of poverty."7 This would create a state of dependency

⁴ M.D. Litonjua. 2013. "International Development Economics and the Ethics of the Preferential Option for the Poor". *Journal of Third World Studies*. 30 (1): 99.

⁵ The United States could be used as a pseudo-natural experiment which corroborates this point. Corporate tax rates, as well as tax rates for the upper class, have risen in recent decades. The result of these policies is increased outsourcing by some of the biggest wealth generators (e.g. auto makers moving from Detroit).

⁶ The process would get even more difficult if one was dealing with a corrupt government system.

⁷ Michael Novak, John W. Cooper, *The Corporation: A Theological Inquiry* (Washington, DC: American Enterprise Institute for Public Policy Research, 1981), 88.

in the foreign country which is an unsustainable solution to poverty.⁸

It is important for me to make a brief comment here: some might argue that anything which brings people out of extreme poverty is a desirable result and that the only reason I refuse to accept it is because I live among the upper-middle class in one of the richest countries in the world. I stand to benefit the most from a booming American economy and from non-redistributive public policy, and some would argue that this subconsciously affects my conclusion. Therefore, it might be said that I am simply encouraging Christians to act in a way that keeps me on my comfortable pedestal while not empathizing with the millions who are suffering around the globe.

While it is true that everyone's experience factors into their opinions, I fundamentally refuse to concede that the best course of action to alleviate global poverty is to fund the poor out of the clutches of death and into what we might call "acceptable poverty" through redistribution policies. The only redeeming characteristic of this form of poverty alleviation is that it is more immediate than what I will propose (and only barely more immediate!). In this paper, I insist that if our goal as Christians is to sustainably maximize human flourishing for the impoverished and the oppressed, then we must be willing to think past the immediate and focus on the end goal. The end goal is to *eliminate* death-inducing poverty forever, not manage it indefinitely and hope that nothing goes wrong. There are those who are in the grips of extreme poverty who simply cannot accept this concept and I understand why, but I think theirs is an equally experience-based, relatively selfinterested view of history. I truly believe that we can win the war on global poverty if we are willing to be creative and radically selfless, but an army general must regretfully acknowledge that there will be

casualties in any successful battle plan. That said, we must begin to act immediately so that this intolerable interim is as short as possible.

After considering all this, I arrive at the disheartening conclusion that political forces, no matter how unified and committed to humanitarian purposes, are powerless to create an acceptable and sustainable solution to the issue of wealth inequality presented by the current state of globalization. I contend, therefore, that political policies are not the primary medium through which Christians should attempt to fulfil their biblical call to care for the poor.⁹

THE BIBLICAL MODEL

Upon examination of the biblical witness, we find corroboration of this point. In both the Old and New Testaments the role of the government is described as protecting and promoting. Generosity, or poverty alleviation, falls exclusively under the responsibilities of the Church.

Romans 13:4 states that governments exist for our good, and Jim Wallis defines "our good" as "the common good." "So," Wallis argues, "the purpose of government, according to Paul, is to protect and promote."10 Similar arguments are made from Psalm 72 and Jeremiah 22. Both passages contribute to the theme that a king's role in the Old Testament, and therefore the contemporary government's role, is to "defend the cause of the poor and the needy" (Jeremiah 22:16) or "defend the afflicted among the people and save the children of the needy" (Psalm 72:4). It should be noted that none of these passages even hint at the idea of poverty relief in the form of wealth or money. Instead, it seems that the government exists, as Wallis says, to protect the rights of the poor and to promote justice, not to combat wealth inequality.¹¹

⁸ One problem among many with this solution comes when the supporting countries go through something like the Great Depression or the Great Recession. While the supporting countries struggle to support themselves, the supported countries face a crisis that they are not prepared to deal with by themselves.

⁹ There is certainly a place for Christian politicians in the world and I do not mean to discourage Christian political participation. I merely mean to communicate that the battle against poverty is better fought on another front.

¹⁰ Jim Wallis. "Caring for the Poor is Government's Biblical Role." Sojourners. May 06, 2015. Accessed March 02, 2017. https://sojo.net/ articles/caring-poor-governments-biblical-role.

¹¹ Promoting justice and peace is important part of alleviating the suffering of the poor. While it is not the topic of this paper, government is certainly an area where Christians need to ensure that justice is served for the marginalized. No amount of government intervention will sustainably lift the poor from their poverty (defined as a lack of wealth or a low standard of living), but this does not mean that Christian politicians have no role to play in the process.

So, is there anything in the Bible that assigns mitigation of wealth inequality to the government? Leviticus 25 outlines a national decree for Israelites that they are to observe something called the Jubilee Year once every 50 years. The essence of Jubilee was that it gave households a chance to redeem any land which had been lost over the preceding half century. Two things should be noted, the mechanics of the situation and the purpose of the situation. In regards to the mechanics of the situation, the Jubilee Year was not a giveaway program; Leviticus 25:14-16 and 25-28 explicitly discuss how families who desire to redeem their land ought to pay a fair price set by a non-exploitative seller. Furthermore, concerning the purpose of Jubilee, in verse 23 the Lord states that "the land must not be sold permanently, because the land is [his] and [the Israelites] reside in [his] land as foreigners and strangers." It is apparent that Jubilee is not meant to be a land/wealth redistribution program at all. Instead, it meant as a reminder that possessions are on divine lease from God, and it is a reminder that is well taken. Jubilee was not as much about rectifying inequality as it was about reminding those who lived and worked on the land that material possessions are given to us for faithful stewardship; they ought never to be held tightly because everything belongs to the Lord.

The Church, understanding that their wealth comes from God, is called to care for the poor so many times that it is almost redundant. Christopher M. Hays, in a well-written piece about how the mission of the church overlaps with provision for the poor in the modern world, begins with what he calls the "*relatively simple* task of showing that most New Testament authors understood care for the needy to be basic to the mission of the disciples of Jesus."¹² Hays continues to outline numerous points in Scripture before he ends with the following sentences in conclusion:

following Christ cannot be separated from caring for the poor... for those who see value in the

canonical shape of the New Testament, who want to allow the voices of the New Testament texts collectively to shape our thought, to define in fully-orbed terms what is our mission as the people of God, there can be no doubt that aiding the vulnerable ought to comprise a central element of our activity.¹³

But how ought the church accomplish this mission if not through political processes? The answer that I will propose in the next section requires one more biblical foundation to be laid, namely that Christians are not discouraged from gaining wealth. In fact, "the patriarchs, Abraham, Isaac, and Jacob, were all affluent."14 This does not mean that all good followers of Jesus must be wealthy (cf. Mark 10:17-27), but it does mean that a follower of Christ cannot be demonized merely for the fact that she has wealth or that she participates in wealth generating processes like the market economy. "Wealth is good; greed, on the other hand, is not,"15 and especially western Christians need to learn how to live faithfully in that balance if we ever want to see a sustainable solution to global inequality come to fruition.

MY PROPOSAL: WORK AND DISPOSSESSION FOR THE SAKE OF ANOTHER

Thus far, we have established that human flourishing is maximized under the market-driven globalizing model. We have also established that political systems are not capable of producing a viable solution to the problems we observe with globalization as it is, and that as Christians we are called to care deeply about those problems. As such, Christians must come up with a new strategy to effectively attack gross levels of poverty experienced by those who are excluded from the world economy's benefits.

Max Weber wrote in his book *The Protestant Ethic and the Spirit of Capitalism* that the Protestant was the ideal type of person for a capitalistic framework.

 ¹² C.M. Hays, 2012, 'Provision for the poor and the mission of the church: Ancient appeals and contemporary viability', HTS Teologiese Studies/Theological Studies 68(1), Art. #1218, 7 pages.
¹³ Ibid.

¹⁴ Hershey H. Friedman and William D. Adler. "Moral Capitalism: A Biblical Perspective." *American Journal of Economics and Sociology* 70, no. 4 (2011): 1017-1018. Accessed March 01, 2017.

¹⁵ Ibid.

While some of what Weber writes in that book is questionable, I think this a good point:

the ideal type of the capitalistic entrepreneur... avoids ostentation and unnecessary expenditure, as well as conscious enjoyment of his own power, and is embarrassed by the outward signs of the social recognition which he receives. His manner of life is...distinguished by a certain ascetic tendency... He gets nothing out of his wealth for himself...¹⁶

Weber is attempting to explicate how and why western Europe was the first to industrialize, and he reasons that it is inextricably tied with the Protestant reformation. I am not interested in going down that rabbit trail, but rather in affirming Weber's view of what the ideal capitalist looks like—a Christian. Someone who acts in the way Weber describes will accumulate large amounts of capital for investment in future periods and investment is one of the keys to economic growth. Now, this investment-fueled growth is necessarily limited in its scope because once investment in the current period reaches 100%, you cannot increase investment to provide for further growth in the next period. However, in developing countries, continual investment would not be needed; statistics show that when modern countries finally achieve a certain level of initial economic growth, their growth rates drastically exceed historical growth rates of western European countries at the same stage of development. This poises them to become selfsufficient remedies to their own poverty far sooner than under any other system.

Christians need to find ways to invest in the impoverished, especially those in impoverished countries. This investment could take many different forms, most practically for most western Christians, it is to honestly answer the question "how much is enough?" For the average middle- to upper-class American Christian, finding the money to invest in the impoverished will likely mean radically assessing spending habits, living arrangements, and other things which suck up large amounts of money. Christians must learn the difference between a luxury item and a necessity, and I can tell you that Americans for the most part are profoundly confused on this account. The American church has been caught up in its surrounding culture and has lost sight of how small the eye of a needle is compared to the girth of a camel. We are rich, and we must handle ourselves in that way; \$50,000 is more than the vast majority of families in this world will make in five years; middle class Americans make this in a year or less. There are people suffering horrible poverty and we have the ability to help.

I am not advocating for asceticism in any sort of a traditional sense and I do not wish to demonize those who make and use money to enrich their lives. I do, however, want to ask Christians to take these words to heart:

Jesus calls his disciples to follow him, to leave all they have... They are to make a radical break with security and possessions, with the customs and habits of everyday life... Discipleship is quite simply extended training in being dispossessed. To become followers of Jesus means that we must, like him, be dispossessed of all that we think gives us power over our own lives and the lives of others. Unless we learn to relinquish our presumption that we can ensure the significance of our lives, we are not capable of the peace of God's kingdom.¹⁷

Does a family of five *need* to consume and save more than \$100,000 of income every year, or could they manage to be generous with 20%? Do *they* need more than \$80,000? I would argue that if Christians took frugality and dispossession for the sake of another seriously, radical generosity would not only be possible but natural and the resulting lifestyle not horrifically uncomfortable or even drastically qualitatively different from the average middle-class American household. There is so much money in America that is being saved for a rainy day; we must realize that there is a continual hurricane going on for some of our Christian brothers and sisters and we are perfectly poised to help.

It is up to contemporary Christians to transcend

¹⁶ Max Weber. *The protestant ethic and the spirit of capitalism*. Unwin University Books, London, 1930.

¹⁷ Stanley M Hauerwas. The peaceable kingdom: a primer in Christian ethics. Notre Dame: University of Notre Dame Press, 2011. 71.

the assumptions of the market economy like Weber suggests that they did during the Industrial Revolution. We ought to be the hardest workers *and* the most selfless givers; we do not work for our own gain but for the gain of another, simply because that is what Christ has done for us. If this attitude became the norm, even just among the middle-class Christian population in America, it would have profound effects on wealth inequality in America and abroad (this could even take care of the immediacy problem that I address above, though the ultimate problem with private redistribution is that it is too similar public redistribution—it is not sustainable).

Our call to care for the poor carries with it an injunction to eradicate any consistent source of their suffering—to create a sustainable solution. To create a sustainable solution, we need to begin to create. Miroslav Volf points out that "the path from the design of the iPhone to its use leads through the valley of oppression, exploitation, and destruction,"¹⁸ but this does not have to be the case. What if the creator of the iPhone had been the type of person that I have described? How might a lifestyle of dispossession for the sake of another have affected that valley of oppression, exploitation, and destruction?

Volf argues that competition in the market makes oppression and destruction inevitable, that it is impossible to stop powerful corporations from exploiting the poor for a profit unless world religions create a unanimous moral guideline by which the "secular" world agrees to live. This strategy, however, is far too passive and far too easily ignored by the non-religious world. Instead, Christians need to take a more directive approach. How can a Christian stop powerful corporations from committing atrocities? By being the one that is making the decisions for said corporation. I believe that Christians with the desire and ability ought to pursue corporate leadership ardently, motivated by what I have called "dispossession for the sake of another." This mindset thrives in a capitalistic framework because it motivates a person to work hard, to be creative, and to innovate, but it crucially

modifies the incentive structure of self-promotion by insisting on other-promotion. The resulting rise in dispossessed Christian innovators and leaders— Christians who insist that the poor would be the primary beneficiary of their hard work—would create a humanitarian anomaly which could be directive; even the non-religious observer who cares about the poor out of humanitarian sensibilities will take notice. Competitors would be pressured to follow suit by the increasingly humanitarian-minded American consumer.

Although it is naïve to suggest one practical solution which sweeps all industries and all situations, a few ideas would be helpful to substantiate my proposition. First, it is simply a fact that people with good ideas get paid in a market economy—this is a good thing! However, this monetary income (or stock allotment, etc.) does not have to land in the pocket of the innovator. What if a few influential executives started asking themselves "how much is enough?" and deposited the extra (which would be a massive deposit if these millionaire/billionaire executives were being honest with themselves) wherever there was need? We have seen this happen in the past with Andrew Carnegie and John D. Rockefeller. When these two moguls agreed that "the man who dies rich, dies disgraced,"¹⁹ a new era was ushered into American business—the era of philanthropy. This legacy is alive and well today because of the altruism of two men which started a world-wide movement. But we have not taken it far enough—radical altruism must be revitalized and intensified. Altruism was contagious back then and it would catch on again today because it is not an exclusively Christian virtue, it is a human virtue: "Bereft of altruism, we aren't merely incapable of rescuing globalization from its own dangerous shadows; more troublingly, we are betraying our very humanity."20

This refusal by executives to let profits land in their own pocket does not just have to take the form of philanthropy. It could also take the form of better compensation for marginalized or impoverished employees. For example, assuming that the company in question was a large corporation with a pre-

 ¹⁸ Miroslav Volf. *Flourishing: why we need religion in a globalized world*. New Haven, CT: Yale University Press, 2017, 33.
¹⁹ Andrew Carnegie.

²⁰ Miroslav Volf. Flourishing: why we need religion in a globalized world. New Haven, CT: Yale University Press, 2017, 49.

existing competitive edge, it could refuse to pay its workers in Brazil less than it would pay factory workers in America and it could likely get away with a slight increase in prices as a result.²¹

Assuming that the person making decisions is both smart and committed to dispossession for the sake of another, there is no limit to the potential positive externalities of large corporations. However, someone has to dispossess themselves first in order to set the humanitarian precedent that responsible corporations ought to engage with the world in this way. As we have seen in history, this type of movement would be contagious. It is my opinion that Christians, especially middle- to upper- class American Christians, are perfectly poised to respond to this challenge and are the only ones likely to do so. The only question is: who will make the bold decision to go first?



²¹ After all, consumers have shown that they are willing to pay \$0.80 more for a cup of coffee from a company they like. Starbucks is an example of a company who has done something like this by helping their coffee growers establish environmentally sustainable agricultural techniques.