

## Goals, Ways and the Roots of Our Economic Crisis<sup>i</sup>

Bob Goudzwaard<sup>ii</sup>

*Dit betoog over de ethische aspecten van de huidige economische crisis is gehouden voor een gehoor van christenen in Zuid Afrika. Door de gekozen aanpak (primair georiënteerd op te volgen wegen - principes - dan na te streven doelen als economische groei) is het gericht op mensen van alle levensovertuigingen, politici inclusief. Aan het slot komen ook de ecologische aspecten van de huidige crisis aan de orde.*

### **Introduction**

Every year the United Nations publishes “outlooks” on the world economic situation. This is not usually very hopeful stuff. But the most recent report, entitled “World Economic Situation and Prospects 2013”, is truly pessimistic.<sup>iii</sup> It states: “the world economy is on the brink of another major downturn”.<sup>iv</sup> It adds: “During 2012, global economic growth has weakened further,” bringing with it a heightened “risk of a double-dip global recession”.<sup>v</sup>

One of the main causes of this adverse development, the report says, is that many governments are busy fighting their budget deficits, which are much too high. They need to cut their expenses, which then leads to more unemployment. This is a sad story, also for the staggering South African economy. And it begs the question: what are the reasons or causes that have led to this current sad situation?

It is not my purpose in this lecture to provide a detailed discussion about global economic problems. I have another purpose in mind. The discussions about today’s crisis almost completely neglect faith-oriented perspectives, including the testimonies and witnesses of Christian churches.<sup>vi</sup> I would like to explain why, in my view, this omission is harmful, and even substantially diminishes the prospects of our present economic crisis taking a turn for the better.

Usually people say that economic crises are value-neutral or of an a-religious nature. Economic crises are thus best handled by economic experts, without intervention by political know-it-alls or moralistic preachers. At first this sounds quite reasonable. But then what prevented all of this economic expertise from redirecting today’s economy away from the brink of another possible major downturn? Is it possible then that we are not really on value-free, neutral ground?

A great deal has already been published about the causes of today’s crisis. The most competent analysts, such as Nobel prize-winner Joseph Stiglitz, have concluded that it started with an overflow of newly created money entering the Western economies, mainly in the form of speculative credits created by a lot of greedy banks.<sup>vii</sup> Already here it is clear that we are no longer on value-free ground. Stiglitz has touched on a cultural dimension—the dimension of greed. Cheap money, he explains, also awakened the lust of many governments to spend far more than their taxpayers were willing to give to them. Since 2002 money was so easily available that a number of states fell into the trap of delivering huge programs without adding to the fiscal burden of their citizens. Think, for example, of the Greek government, which now finds itself purely at the mercy of the financial markets. And in

cases like this the financial markets have just one purpose: to get their money back. Yet they live in fear that they will never see their money again.

## Two Basic Orientations

The entire world economy thus seems to be caught in the grip of both greed and fear. Moreover, it seems prey to a multitude of selfish agents who are driven by powerful financial goals. Now one could of course object that greed, the fear of losing money, and the presence of harsh financial goals are in no way new phenomena. And because they are not new, one could also argue, there is not any basis for using these to explain the roots of today's economic crisis. I certainly agree that greed is of all ages. But I would like to suggest that this does not imply that there is no connection between greed and today's crisis. For example, is today's vigorous pursuit of financial goals not enabled—as never before—by the unprecedented freedom given to contemporary financial markets? This also raises a related ethical question: how far, in the context of today's largely privatised monetary system, can people pursue financial goals like these before they begin to threaten their own future and the future of others?

But this is even more than only an ethical question. Addressing a Christian audience today, I would like draw your attention to the unavoidable fact that risking your own future and the future of others also has a religious dimension. When Jesus asked his disciples to follow him, he was asking them to orient their lives around His way of love, truth, justice, and compassion. That is a different kind of orientation than orienting your or my life towards personal goals of material acquisition. There is a difference between what we could call a way-orientation, the orientation which is inspired by values and norms like love, justice, truth and compassion, and a goal-orientation, which orients our actions to what we ourselves want to reach or to preserve.<sup>viii</sup>

Of course, these two orientations can collide. Supposing they do collide. If we pursue goals that involve enhancing our own economic position, how can we prevent doing harm to others?

As we shall see, this is a key question if we wish both to understand the root causes of today's economic crisis and to search for potential ways out. Let us therefore explore this question in more depth.

Let me take as our starting point that all of us have goals and plans in our lives, and we are often busy trying to accomplish them. In fact, without short- and long-term goals, life is almost impossible. Families need prospects, and no corporation exists without some kind of business plan. You and I would never vote for a political party without some kind of program. But it is also true that our lives and societies would become chaotic without fundamental orientations towards ways of life or norms for life. In the Christian worldview love, truth, justice, compassion and stewardship are destined for all people to be ways or paths to walk on. Even peace is called "a way" in the New Testament, a way that is clearly different from the goal of guaranteed safety. Zachariah, for example, the father of John the Baptist, prophesied that the coming Saviour "will guide our feet into the path of peace".<sup>ix</sup>

But does that necessarily imply that by definition there exists a deep tension between these two orientations, between goals and ways? My answer is no. Both orientations can go hand in hand. Our own personal goals can certainly be expressions of life-affirming ways of

love, justice, compassion and stewardship. But that is only possible if we allow the orientation towards ways of life to take the lead in every critical situation. Self-oriented goals should always remain subservient to what following the Way requires of us. Our own goals need to yield, to give in, or even be given up at the moment that they would lead us astray. To give a brief example: striving for a nation's security, or seeking to preserve a people's identity, can be legitimate goals. But huge tensions arise if people pursue them at any cost, if people are not willing to accept any ethical restraint in the practical realisation of these goals.<sup>x</sup>

At first glance this dilemma is of the same character as the two types of ethics that the German philosopher Max Weber formulated about a century ago. He made the famous distinction between "Gesinnungsethik" and "Verantwortungsethik", between the "ethics of conviction" and the "ethics of responsibility".<sup>xi</sup> For Weber, responsibility must take the lead. But it is remarkable that Dietrich Bonhoeffer, in his well-known treatise on *Ethics* (written between 1940 and 1943), refused to make this distinction his own.<sup>xii</sup> Unlike Max Weber, for Bonhoeffer the word "responsibility" was characterized by the willingness to obey Jesus' demand to follow Him even if this has severe personal consequences. Bonhoeffer's ethics was thus not centered around the question of doing more or less good, but on how Jesus Christ as Lord is given shape in our lives and in the life of our societies. "Gleichgestaltung", living and acting in conformity with our Lord Jesus, was the heart of his ethics.<sup>xiii</sup>

Bonhoeffer's ethics is also called the "Ethics of the Way". His favourite Psalm was Psalm 119. Brian Brock, in his interpretation of Bonhoeffer's comments on Psalm 119, wrote: "the Psalter frames the concept of instruction or command with a dynamic understanding of human behaviour. Commands mark out a path, stand alongside something continuous and ongoing".<sup>xiv</sup> This is similar to Martin Buber's translation of the Psalms. Buber always translated the word "Torah" with "Weisung", meaning "guidance", guidance coming to us from God's Fatherly hand. This is much different than a set of rigid statutes. Buber's reading suggests that Psalm 119:96, "I have seen an end to everything, but your Way is very wide", can be read as "I have seen an end to everything, but your Way is one that widens as we follow it, step by step."

I will try to take the same approach. This means that my vantage point starts from the assumption that referring to a way-orientation, both in our own lives and in the life of our societies, implies much more than accepting some kind of restraint or boundary in the pursuit of our own goals. A true Way-orientation does not restrict life but encompasses life. Ways of life are like water surrounding a fish. They form the climate in which we can breathe freely and are enabled to choose truly responsible goals. But if we reject that perspective, and especially if our own self-oriented goals take the lead, then sooner or later ways like justice, love and stewardship become distorted or crooked. Then they also lead to deep, unavoidable crises in our personal and societal lives.

Let me illustrate all this by exploring some basic criteria that could help us to find a line of demarcation: a distinct line between the legitimate pursuit of one's own goals and targets on the one hand, and the abyss of neglecting any kind of way-orientation on the other. Though this may seem like a highly theoretical endeavour, it is not. We need criteria like these to dig more deeply into the roots and sources of today's economic crisis.

#### **Four Basic Criteria**

The *first* criterion is related to the central significance of the concept of *meaning* in all that people think and do. "Meaning" was the first word of the opening sentence of Herman Dooyeweerd's *New Critique of Theoretical Thought*.<sup>xv</sup> There he wrote "Meaning is the mode (or way) of being of all that exists" (my own translation). We may call this primary meaning. Primary meaning is meaning which comes to us from beyond ourselves. It may come from the Torah, or from Jesus' teachings, or from the future (I think here of Bonhoeffer's concept of living in "das Vorletzte", the "things before the last"<sup>xvi</sup>). It may also come to us as engraved in God's creation. Alongside of that there are kinds of meaning that originate in our own ways of living and thinking, meaning that we as human beings ascribe to things. We may call this secondary meaning.<sup>xvii</sup> An inescapable aspect of being human is that we actively seek to make sense of the events of our lives and of our world.<sup>xviii</sup>

Primary meaning is however not a human construct. It is always perceived as a *given* meaning. It comes to us or is revealed to us as ways to walk on or paths to walk down. Martin Buber once wrote that feelings of sympathy dwell within in us as human beings, but human beings themselves dwell within love.<sup>xix</sup> That is primary, given meaning. At the same time, however, our own self-oriented goals can become so important that we begin to ascribe to them the status of primary meaning. We can become so strongly attached to what we want to achieve or preserve at all costs that we fall into the temptation of considering these goals a matter of ultimate meaning in our lives. For example, our quest for guaranteed security and survival can become so important that we consider it worthy enough to sacrifice everything to achieve it.

But then indeed a deep tension becomes apparent. For there can only be one source of ultimate meaning. If achieving your or my own goals becomes our ultimate purpose in life, then we make these goals absolute, which implies that we reject any critique of them from the perspective of Ways that are given to us. Then we no longer have room for following someone who once was willing to give up his entire life in love for and obedience to his heavenly Father.

A *second* criterion comes to the fore when we look closely at what happens to people's values as they strive for absolute goals. Their attitudes towards good and bad change radically. They bend and twist norms like truth, love and justice in such a way that these norms or values legitimate in advance what they have in mind. Then you can indeed give yourself permission to neglect the real interests of others in economic and financial affairs.

Incidentally, this is and always has been the birthmark of all great ideologies. Often ideologies are seen solely as broad social phenomena, but the process of distorting norms and values can also take place in our personal lives, in our own hearts and minds. Bonhoeffer wrote about "Doppelgänger", a counterpart or "double" of oneself that comes to life as soon as we read the Scriptures from a pre-selected, unassailable position (the "heavenly double of my earthly ego"<sup>xx</sup>). Then the Bible merely echoes what we want to hear and believe.

After we ascribe ultimate meaning to our own goals, and after we distort fundamental values from the perspective of our goals, there is a *third* criterion for understanding when and where people cross the line between striving for acceptable goals on the one hand and pursuing absolute goals on the other hand, thus rejecting any kind of primary meaning.

When human goals become absolute, something changes in the realm of the methods and instruments people use to achieve their goals. Certain means or methods, such as violence, can become indispensable for reaching our goals. This implies that sooner or later we need to give these means free reign if they are to achieve our prized objective. But at that point, they take the lead in our lives and gain power over us. We become controlled by what we first saw as our liberator. Then, in a dynamic, rapidly changing modern universe the means will take the lead—and ultimately betray us, while usually also doing great harm to others. This is the story of many people in history who choose violence, and who then can no longer live without violence. And then, instead of saints, it is idols who are marching in.

This reversal of control, whereby people hand over their control to the means they believe in, can also happen at the level of the institutions or structures of society. A society can become so thoroughly power-driven or money-oriented that its main institutions become entrenched as indispensable forces, at least for the privileged, for becoming richer and richer in an unlimited way. Then the privileged become unavoidably subservient to their new gods.

A *fourth* criterion is the remarkable change that takes place in people's choice of friends and enemies. Those who may prevent us from reaching our goals become our enemies. This can go so far that we seek their elimination. This pattern is what René Girard has written about: the mechanism by which we create scapegoats in human societies.<sup>xxi</sup> During the Cold War, for example, communists were seen as the concentration of all evil, while in their turn they saw capitalists as the ultimate source of evil. In our time and place – South Africa – it sometimes appears that a number of people turn the current (mainly black) majority government into a scapegoat for everything that goes wrong.

I have sketched four criteria for determining when the pursuit of personal, self-chosen goals strays from true, given ways of life. Let me try now to summarize them in a preliminary conclusion. Ethically speaking, there is nothing wrong with pursuing concrete goals, either in our personal lives or in the life of a society. Our goals can serve or be expressions of given ways of life. But we should always be aware that such a pursuit can easily lead us astray. We are led astray if one or more goals becomes the decisive point of orientation in our lives and assumes the place of ultimate meaning. At that point, everyone and everything must clear a path for our goals to be achieved. Such goals will seduce us to bend or reinterpret our own norms and values in such a way that they justify *a priori* the means or tools we use to achieve our ends. They are sanctified, so to speak: the end justifies the means. And eventually, having handed over to them our control, they enslave us while also causing substantial harm to the interests of the poor and the weak.

My own conviction has grown in the last decades that crossing or not crossing this line of demarcation is the deepest controversy in political and economic life. The deepest controversy for political and social leaders and business people is not between liberals and conservatives, between planners or free marketers. It is rather between those who are willing to adhere to ways of justice and compassion and those who persist in pursuing their own self-interested goals under all circumstances. In fact, there are only two options available. Either we relativize our own goals in view of obeying the principles of the Way, or we relativize the principles of the Way in view of our absolute, self-oriented goals, goals that we wish to achieve or preserve at all cost. There is no possible compromise between these two attitudes. It is a choice lying on the sharp edge of a sword. It is similar to what Jesus

once said: "You cannot serve two masters. You cannot serve God and Mammon."<sup>xxii</sup> The real choice lies in what or whom we ultimately serve.

### **Returning to the Crisis – Two Indications of Goal Possession**

Now let us return to our original question, which had to do with the root causes of today's global economic and financial crisis. At this point Christians need to be completely honest. Adherence to extreme forms of greed, self-centeredness, or blind nationalism unfortunately is also found among Christians. Let us not simply judge others.

But that does not diminish the significance of the ultimate choice confronting all of us, Christians as well as non-Christians, persons as well as nations, also in relation to economic affairs. Is today's economic crisis merely a question of faulty economic insights, flawed economic structures, failing policies and an unfortunate confluence of circumstances? Or is there much more going on? I choose unreservedly for the second option.

At the beginning of this lecture we briefly encountered aspects of greed, of powerful selfish desires, of harsh demands originating in fear, and of non-negotiable goals. This is a beginning indication of the possible root causes of today's crisis. In and of themselves, however, they may not yet indicate the presence of absolutized goals or idolatry. But in view of some of the criteria I mentioned earlier, let me describe two strong indications that absolutized goals and modern idolatry are indeed fully present today.

The *first* indication starts with a quotation that has now become famous: "Greed is good, greed is right. You can be greedy and still feel good about yourself." These words, spoken by Michael Douglas as Gordon Gekko in the 1987 movie "Wallstreet", quickly became widely applauded. The *Economist*, commenting on the slogan "Greed is good", even wrote that these words seemed to capture the spirit of the decade.<sup>xxiii</sup> In the February 2010 edition of CBS' "Money Watch", Robert Pagliarini put it even more strongly: "Greed is good. Embrace it, love it. In fact greed may be the one thing that can save us....[So] stop putting yourself last, and stop sacrificing your goals and dreams. Tap into your inner Gordon Gekko and relentlessly pursue your happiness."<sup>xxiv</sup>

Here we recognize what happens in the process of attaching ultimate meaning to self-oriented goals: you bend and change your norms and values. They need to make the way entirely clear for the unrestricted pursuit of your own ends. The United Nations Conference on Trade And Development's 2009 report, entitled "The Global Economic Crisis: Systemic Failures and Multilateral Remedies", makes a similar remark where it says: "No doubt without the greed of too many agents trying to squeeze double-digit returns out of an economic system that grows only in the lower single-digit range, the crisis would not have erupted with such force".<sup>xxv</sup> Yet, stated Robert Pagliarini, greed is perhaps the one thing that can save us. Is not "saving" a religious word? Surely then another saviour has come forward. Or, as Martin Landauer recently said: "God is a luxury I can't afford".<sup>xxvi</sup>

A *second* indication, this time of growing idolatry, is the changing role of financial markets in today's global economy. Of course, money and finance are not bad in themselves. But they need to remain within their original role of serving people, serving the world economy. Along the way, however, their role has changed dramatically. The so-called real economy now serves the financial markets. Many governments today have a widespread fear over what the financial markets might do to their economies. Financial

markets can praise or break an economy simply according to their own speculative whims. George Soros, the well-known expert on financial markets, recently stated that the financial markets have now assumed the driver's seat, from which they steer and control entire economies.<sup>xxvii</sup> Or, as Susan George and her colleagues wrote : "The world is ... undergoing a crisis ... of the system in which the real economy has become subservient to the financial economy."<sup>xxviii</sup>

Something important is happening here. Here we observe a trend that can be observed whenever in human history goals become absolute: the means needed to achieve the goals are given a place of privilege. And from that position they then take the lead.

In this case idolatrous powers are not bestowed upon the party machinery or military violence. Now they are bestowed upon the monetary system. In a greed-oriented society, sooner or later the means—in this case the monetary system—take control and exercise power with a decisive, even tyrannical voice. At the opening of the first Christian-Social Congress in 1891, Abraham Kuyper spoke the famous words: "Our modern society has bent its knees deeply before Mammon".<sup>xxix</sup> What began as a tool for creating more wealth has now turned into a tyrannical power, an idol from whose harsh rules one can scarcely escape.

### **A Possible Way Out**

If the present economic crisis is indeed rooted so deeply in forms of Mammonism (the term comes from Russian philosopher Nicolai Berdyaev<sup>xxx</sup>), so that our society is ensnared by absolutized goals spreading fear and even terror around them, what then can be done?

Exiled from Russia because of his Christian convictions, Berdyaev, reflecting back on the Russian Revolution of 1917, wrote that sometimes in human history the surface level of reality is scraped away, so that we see deeper levels of human desires and often evil motivations. He called this "a small apocalypse"<sup>xxxi</sup>. Something like this scraping away process seems to be occurring today. On the one hand we see an open manifestation of greed and corruption, with unbelievably huge consequences. On the other hand we observe the ineptness of the standard remedies for finding a way out of today's crisis. Decision-makers typically advocate and long for a rapid return of strong economic growth, for example. But that solution entirely contradicts the scientifically-based conclusion that the earth and its extremely vulnerable eco-systems simply cannot endure a full restoration of robust material economic growth, especially not in the world's richest countries. If we do not want to risk life on this planet as a whole, then this proposed way out of the crisis is simply not available as a viable option. So now we need to earnestly ask ourselves: has the time not arrived to come to our senses? Now that so many of our own plans have failed, has not a way-oriented turning of our economies to true social justice and stewardship become the only *realistic* possibility, not just for people of faith, but even more for a deeply secular world?

Faced with this dilemma, a lesson from the past may be helpful. Here I think of the years 1939 and 1940, when Great Britain was confronted with the demon of rising Nazi terror. The courage of a Winston Churchill was needed to convert the British economy, in the shortest time possible, from a peace-oriented economy to a full-fledged war economy. That required a large increase of investments in the defence industry which could be financed only by means of a corresponding substantial slowdown in the growth of material consumption by the British people. The British society had to set free, as it were, or release the resources

needed to achieve that new objective by consciously lowering its own level of consumption (at the time Lord Keynes spoke of the need for what he called 'forced savings'<sup>xxxii</sup>).

Do we not need something similar in our time? Today too a sincere fight must be fought at several levels:

- a fight against greed as soon as it damages the interests of the weak;
- a fight against the towering dominion of global financial markets,
- a fight to give more people work and jobs ;
- a fight to better protect our environment; and
- a fight against an absurd waste of energy and other resources.

At the same time it is now becoming increasingly evident for a growing number of people that these goals are far more urgent and significant than striving for ever-higher levels of consumption, especially in countries that are already rich. If you and I and others say wholeheartedly "yes" to this statement, then in principle a solution is possible. It is the solution of an economic trade-off which is quite similar to what took place more than seventy years ago during England's deeply threatened social and political existence.

Let me try to explain. When principles of social justice are allowed to rule, they first call for a strong correction of a global monetary system which has become far too unrestricted, a jungle-oriented system which has become a casino-temple of economic greed. Viewed from any kind of way-orientation it is simply unacceptable that hugely speculative capital flows ricochet around the world, busily speculating even against national currencies. Driven by considerations of self-enrichment, they force a depreciation in the value of those currencies. Strong measures are therefore needed to restructure our monetary system. Private commercial banks should no longer be entitled to freely create huge sums of money. Money should again be recognized and treated as a public asset instead of as the privatised hobby of the wealthy.

But there is more. There is also the norm of good stewardship. It calls us to wage a genuine fight against levels of unemployment that are far too high, and against putting further extreme pressure on the world's eco-system, which is already far too overburdened. These two endeavours call for a substantial growth, not in the capital-intensive industrial sectors, but rather in the labour-intensive segments of our economies, where social, natural and human capital urgently needs to be protected and strengthened (think of the investments needed for cleaner energy, improved safety nets, environmental protection, basic housing, and good education for all). In this way a substantial boost can be given to the level of employment in each society, through publicly funded, cooperative and private-enterprise initiatives. But just as in the case of Great Britain during war time, the economic basis for financing this should be sought largely through restraint in the growth of material consumption, especially luxury consumption. It should surely not be sought in over-expanding the supply of money and credit. Let us remind ourselves that because these types of employment are highly labour-intensive, more new jobs can be created through these new investments than by, for example, increasing the production and consumption of more airplanes or automobiles. Indeed, within the framework of this economic trade-off, a significant rise in employment levels, combined with a better care for the environment, can occur even within the same national product.

This is not the time or place to offer a detailed and elaborate answer to the question of how to organize all this. But perhaps three hints will help.

*First*, this major shift can become implemented—and this is indeed the best way—through voluntary restraints in the growth of personal income and consumption. What a blessing it would be if, instead of continuing down the path of greed, employers and employees could agree to establish new employment funds across the entire economy, financed on the one hand by employers waiving bonuses and higher incomes for themselves, and on the other hand by labour unions which are willing to earmark or reserve for that goal a substantial part of their initial demand for higher wages. This path may seem a bridge too far in developing economies or in polarized societies like South Africa. Yet it is important to note that it is not outside the realm of what is currently done in some Western economies. In the 1990s, for example, the Dutch Christian Labour Union (the second largest labour union in the Netherlands) proposed to freeze real wage demands for a maximum of four years in exchange for increased employment, more care for the environment, and improvements in the quality of work. The proposal met with 67% approval by members, was accepted by management and has been credited with helping to shield the Dutch economy from the worst effects of external economic shocks. Similarly, around the same time the largest industrial union in western Germany, I-G Metall, offered to freeze real wages for five years in exchange for more jobs, especially in eastern Germany.<sup>xxxiii</sup>

A *second* possibility is to substantially increase the taxation of luxury consumption or the taxes on non-basic goods. In that case, the revenue brought in should be earmarked from the beginning to the growth of labour-intensive investments in social, natural, and human capital.

A *third* possibility is to implement a global tax on capital movements (the so-called Tobin-tax). A levy of no more than a few thousandths of one percentage point could provide a substantial source for financing the international struggle against unemployment. And it would serve as a major anti-speculation measure.

Are not these the types of concrete steps that we most need today? Many black, often uneducated workers in South Africa are desperately looking for any kind of employment. But I also think of Spain, where 55% of young people are now unemployed, simply because the financial markets are demanding more and more cuts to government expenses.<sup>xxxiv</sup> Such a high rate of unemployment of young people is not just a shame. It is close to a crime, an absurd waste of human potential and a flagrant rejection of God's ordinance of good stewardship. Here—and not elsewhere—is where the process of economic healing needs to begin.

A continued crisis is not necessary. A number of measures can substantially reduce the level of unemployment. But these measures cannot stand on their own. In fact, at the deepest level, only one thing is needed: that we set aside greed and prefer the justice of God above the injustice of Mammon in our political and economic behaviour.

## **Endnotes**

- i This essay is the expanded text of the “Stoker Lecture” given by dr Goudzwaard at the University of the North-West in Potchefstroom, South Africa, on April 24, 2013. The author is grateful to Calvin Seerveld, Hendrik Hart, Elaine Botha and Mark Vander Vennen for their helpful comments on earlier drafts of this lecture.
- ii Bob Goudzwaard, a former member of the Dutch Parliament, is professor emeritus of Social Philosophy and Economics at the Free University of Amsterdam. He is past chair of the Dutch Royal Society for Political Economics and former co-President of the European Ecumenical Commission. Most recently he chaired a two-year consultation between the International Monetary Fund, the World Bank and the World Council of Churches. He is the author of numerous books, including *Capitalism and Progress* (Grand Rapids, Mich: Wm. B. Eerdmans, 1979), *Idols of Our Time* (Downer’s Grove, Ill: InterVarsity Press, 1984; repr. Dordt Press, 1989), with Harry de Lange, *Beyond Poverty and Affluence: Towards a Canadian Economy of Care*, Foreword Maurice Strong (Toronto: University of Toronto Press, 1995), and with Mark Vander Vennen and David Van Heemst, *Hope in Troubled Times: A New Vision for Confronting Global Crises*, Foreword Desmond Tutu (Grand Rapids, Mich: Baker Books, 2007). For a more complete list of publications, see <http://www.allofliferedeemed.co.uk/goudzwaard.htm>.
- iii Department of Economic and Social Affairs, United Nations, “World Economic Situation and Prospects 2013”, retrieved at [http://www.un.org/en/development/desa/policy/wesp/wesp\\_current/wesp2013.pdf](http://www.un.org/en/development/desa/policy/wesp/wesp_current/wesp2013.pdf). The report is a joint product of the United Nations Department of Economic and Social Affairs (UN/DESA), the United Nations Conference on Trade and Development (UNCTAD) and the five United Nations regional commissions (Economic Commission for Africa (ECA), Economic Commission for Europe (ECE), Economic Commission for Latin America and the Caribbean (ECLAC), Economic and Social Commission for Asia and the Pacific (ESCAP) and Economic and Social Commission for Western Asia (ESCWA).
- iv *ibid*, 3,
- v *ibid*, 1, 27. The report notes that “A growing number of developed economies have fallen into a double-dip recession” (1).
- vi See, for example, a number of reports from the World Council of Churches, including “Statement on Just Finance and the Economy of Life” (2009) (retrieved at <http://www.oikoumene.org/en/resources/documents/central-committee/geneva-2009/reports-and-documents/report-on-public-issues/statement-on-just-finance-and-the-economy-of-life>); the São Paulo “Statement on International Financial Transformation for the Economy of Life” (2012) (retrieved at <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/finance-speculation-debt/sao-paulo-statement-international-financial-transformation-for-the-economy-of-life>); and the Background Paper by Barry Herman entitled “Financial Services, Economic Needs and Global Financial Architecture (2012) (retrieved at <http://www.oikoumene.org/en/resources/documents/wcc-programmes/public-witness-addressing-power-affirming-peace/poverty-wealth-and-ecology/finance-speculation-debt/background-paper-on-a-new-international-financial-architecture>).
- vii In Joseph Stiglitz, *Free Fall: America, Free Markets, and the Sinking of the World Economy* (New York: W.W. Norton, 2010).
- viii All of the world’s major religions have as a trademark being oriented to a way. The oldest name applied to Christians, according to the book of Acts, was those who “belonged to the Way” (Acts 9:2). Jesus said of himself, “I am the way and the truth and the life” (John 14:6). Islam means literally “obedience, submission” to the commandments. Buddhism teaches the sevenfold path; Taoism refers in its name (Tao means “way”) to going on a way.
- ix Luke 1:79.
- x In a play on words possible in Dutch but not in English, S. U. Zuidema described a pattern by which people who pursue societal goals at any cost have exchanged “beginselen”—meaning “principles”, with a connotation of “first principles” or creational norms—for “eindselen”—meaning their own absolute “ends” or goals. See Jacob Klapwijk, “Reformational Philosophy on the Boundary between the Past and the Future” *Philosophia Reformata* 52, (1987), 17-18.
- xi Max Weber, *Politik als Beruf*, (Munschen: Grin, 2009), 51. See also George Enderle, “The Ethics of Conviction Versus the Ethics of Responsibility”, *Journal of Human Values*, vol. 13 no. 2 (December, 2007).
- xii Vivienne Blackburn, *Dietrich Bonhoeffer And Simone Weil: A Study In Christian Responsiveness (Religions and Discourse)*, (New York: Peter Lang Publishing Inc., 2004), 133.

- xiii Dietrich Bonhoeffer, *Ethics* (New York: Simon & Schuster, 1955). See the Chapter entitled “Ethics as Formation”, especially 81-89.
- xiv Brian Brock, ["Bonhoeffer and the Bible in Christian Ethics: Psalm 119, the Mandates, and Ethics as a 'Way'"](#) *Studies in Christian Ethics*, vol. 18:3 (December, 2005), 7-29.
- xv Herman Dooyeweerd, *New Critique of Theoretical Thought* (Lewiston, New York: Edwin Mellen Press, 1997).
- xvi *op cit*, 120-185.
- xvii Philosopher of history M.C. Smit developed the theme of primary and secondary meaning in the context of what he calls “first history” and “second history”. He writes, “in every moment of history, be it of the world or of the individual person, there is an irresistible coming of integral meaning” (264). For more on his development of this theme, see his “Reflections on History and the Time of History”, in his collection of essays entitled *Writings on God and History*, ed. Harry Van Dyke (Jordan Station, Ontario: Wedge Publishing Foundation, 1987).
- xviii Smit writes, “...since man can never step out of meaning, a struggle is going on within the very meaning itself of history, of love, of peace, etc.”. *Op cit*, 264.
- xix In Martin Buber, *Ich und Du* (Germany: Gütersloher Verlagshaus, 1997.) Originally published in 1923.
- xx Quoted in a footnote in Dietrich Bonhoeffer, *Creation And Fall: Dietrich Bonhoeffer Works, Volume 3* (Minneapolis, MN: Fortress Press, 2005), 30.
- xxi See, for example, René Girard, *Violence and the Sacred*, trans. Patrick Gregory (Baltimore: Johns Hopkins University Press, 1977); *The Scapegoat*, trans. Yvonne Freccero (Baltimore: Johns Hopkins University Press, 1989); *Things Hidden since the Foundation of the World*, trans. Stephen Bann and Michael Metteer (Stanford, CA: Stanford University Press, 1978); *I Saw Satan Fall Like Lightning*, trans. and foreword by James G. Williams (Maryknoll, NY: Orbis Books, 2001); and *Evolution and Conversion: Dialogues on the Origin of Culture* (New York; Continuum International Publishing, 2007).
- xxii Matthew 6:24.
- xxiii Matthew Bishop, “Is Greed Good?”, *The Economist*, May 24, 2002, retrieved at [http://www.cfo.com/article.cfm/3004792/1/c\\_2984333](http://www.cfo.com/article.cfm/3004792/1/c_2984333).
- xxiv Robert Pagliarini, “Greed is Good: Why you need to tap into your inner Gordon Gekko”, *Money Watch*, retrieved at “[http://www.cbsnews.com/8301-505125\\_162-37441183/greed-is-good-why-you-need-to-tap-into-your-inner-gordon-gekko](http://www.cbsnews.com/8301-505125_162-37441183/greed-is-good-why-you-need-to-tap-into-your-inner-gordon-gekko)”.
- xxv United Nations Conference on Trade And Development, “The Global Economic Crisis: Systemic Failures and Multilateral Remedies” (2009), xi, retrieved at [http://unctad.org/en/Docs/gds20091\\_en.pdf](http://unctad.org/en/Docs/gds20091_en.pdf).
- xxvi Mark Landauer, *Time*, September 23, 2010, Business and Money section.
- xxvii George Soros, *The Crisis of Global Capitalism: Open Society Endangered* (New York: Public Affairs, 1998), xix–xx.
- xxviii Susan George, Barry K. Gills, Myriam Vander Stichele, Howard M. Wachtel, Transnational Institute Working Group on the Global Financial and Economic Crisis, “Statement on the G20 Summit on the Financial Crisis”, 15 November, 2008, retrieved at <http://www.tni.org/archives/tnifinancialcrisisg20statement>.
- xxix Kuyper’s address, entitled “The Social Problem and the Christian Religion”, has been published in English as *The Problem of Poverty*, trans. and ed. by James Skillen (Sioux Centre, Iowa: Dordt Press, 2011).
- xxx Nicolai Berdyaev, *Das Neue Mittelalter: Betrachtungen über das Schicksal Russlands und Europas* (Tübingen: Otto Reichl Verlag, 1901). Berdyaev wrote “The economism of our time stands for the loss of a spiritual centre. It is the Mammonism which has become the decisive power of our time, which honours nothing more than the golden calf”, 37.
- xxxi See for a further analysis Assen Ignatov, *Russian Philosophy of History, the ideas and current influence of Solovyov and Berdyaev*, Köln BundesInstitut für Ostwissenschaftliche Studien nr M3, 1997.

xxxii John Maynard Keynes, *How to Pay for the War: A Radical Plan for the Chancellor of the Exchequer* (London: McMillan Press, 1940).

xxxiii For an expanded articulation of this proposal, see Bob Goudzwaard and Harry de Lange, *Beyond Poverty and Affluence*, 131-135. There the authors write: “We do not mean that certain specific groups—people who cannot meet their specific needs, including recipients of inadequate government benefits—ought not to receive wage and salary increases. But...we reject the suggestion that general, across-the-board hikes must be achieved in order to restore the economy” (132).

xxxiv See “Spain unemployment rate hit a record: youth rate at 55%”, 24 January, 2013, BBC News, retrieved at <http://www.bbc.co.uk/news/business-21180371>.