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Donald R. House, Sr.  
Lay, A&M United Methodist Church

Combined Sunday school classes  
Christ United Methodist Church  
Plano, Texas  
April 10, 17, 2016

DONALD R. HOUSE SR.

# Earn All You Can



Getting Rich for Good

Abingdon Press  
Nashville, TN  
2016

## Observations:

- The plight of the poor and the extreme poor is a collective concern of society and of the church.
- Often in secular discourses, the focus shifts to the gap between the rich and the poor which leads to the disparagement of the rich.
- How, with integrity, does a Christian church focus upon the gap between the rich and the poor and, at the same time, reach out to the rich to fund church ministries?
- Is there a basis for a focus upon the gap from Scripture, from Judaism, from Catholicism, or from John Wesley?

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- Scripture and Economics 101
- Religious backgrounds: Jewish

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- Religious backgrounds: Catholic, Methodist
- Scripture and U. S. History of Compassion

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*How I came upon these questions of income inequality:*

Profession: PhD in Economics

A&M UMC: finance committee

Bryan District: finance committee

Texas Annual Conference: finance committee (CFA)

Delegate to 1996 General Conference

Financial Administration Legislative Committee

Funding Patterns Task Force of GCFA

Member of GCFA 2000-2008

Delegate to 2000, 2004, 2008, 2012, 2016 General Conferences

Financial Administration Legislative Committee

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## The Lesson Series' Major Questions

Should we as Christians focus upon the plight of the poor and the disadvantaged or upon the gap between the rich and the poor?

What do the economists advise?

What is our heritage from Judaism?

What is our heritage from Catholicism?

What is our heritage from John Wesley?

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Personal Observations:

The Bill Gates remarks at Bryan District  
Conference

"The worst thing about our country is that it is possible for a Bill Gates to make so much money. It is an absolute travesty. It should not happen."

## Personal Observations:

### Member of a local church finance committee

"What we need are some new facilities on our annex property. I know some fairly well-to-do Methodists who could write a check for a million without blinking. They just might be interested in helping us."

### The Paradox:

Wealth is a reflection of sinful ways—the wealthy stand apart from those seriously seeking Christ

We celebrate the gifts from the wealthy—especially a leading gift during a capital campaign

## Key Scriptures

James 5: 1-6

"Come now, you rich people, weep and wail for the miseries that are coming to you. Your riches have rotted, and your clothes are moth-eaten. Your gold and silver have rusted, and their rust will be evidence against you, and it will eat your flesh like fire."

Proverbs 23: 4

"Do not wear yourself out to get rich; be wise enough to desist."

Proverbs 28: 20

"The faithful will abound with blessings, but one who is in a hurry to be rich will not go unpunished."

## Key Scriptures

Matthew 6: 21

“For where your treasure is, there your heart will be also.”

I Timothy 6: 10

“For the love of money is the root of all evil.” [KJ]

Mark 10: 25

“It is easier for a camel to go through the eye of a needle than for someone who is rich to enter the kingdom of God.”

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"To be ignorant of many things and to be mistaken in some is the necessary condition of humanity...As to all opinions which do not strike at the root of Christianity, we think and let think."

! ! ! *2012 Book of Discipline, p. 54*

## Initial Considerations:

1. The Bible appears to maintain contempt for the wealthy—both in the Old Testament and the New Testament.
2. The United Methodist Church, in its principle document (*The Book of Discipline*), disparages the wealthy. This is carried into its *Book of Resolutions*.

# Fundamental Question

Is the disparagement of the rich central to our Christian beliefs?



# The Gap Between the Rich and the Poor Always been—always will be

- Egyptian pharaohs—story of Joseph
- Enslavement of the Israelites in Egypt
- Christ: Mark 14:7 “For you will always have the poor with you, and you can do good for them whenever you want. But you will not always have me!”
- French Revolution (1789), Russian Revolution (1917)
- Progressive income tax in the US (introduced in 1862)
- Trust-buster legislation in the US (Sherman Act 1890, Clayton Act (1914), FTC Act (1914))

# Economics 101

Leading theories of income inequality

## Major Contributors

Fredrick Hayek, Nobel Prize in Economic Sciences, 1974

Milton Friedman, Nobel Prize in Economic Sciences, 1976

Gary Becker, Nobel Prize in Economic Sciences, 1992

World Bank: Dollar and Kraay (2002)

World Bank: Ravallion (2005)

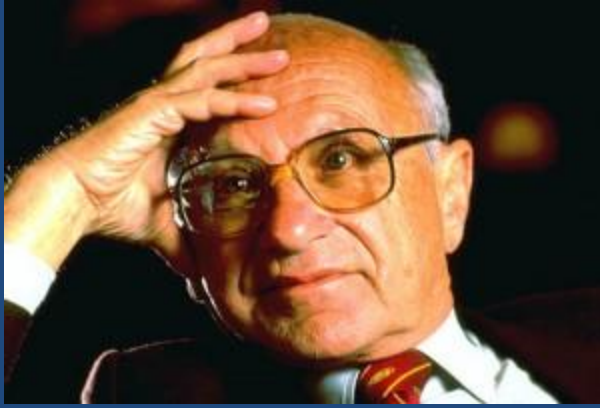


Fredrick Hayek

1899-1992

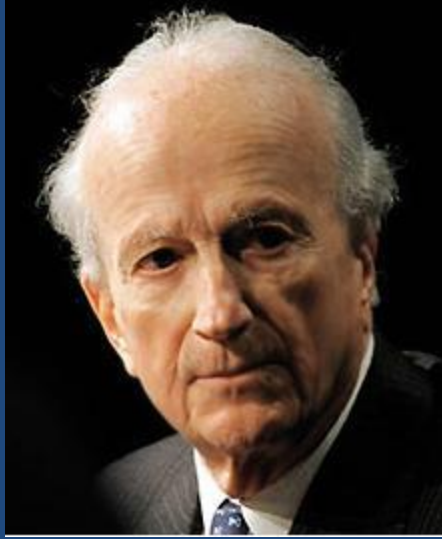
Emphasis on the individual—benefits greatly from freedom (through which free will is expressed).

- Individuals differ in abilities, interests, and capacities.
- Individuals choose between market goods and leisure time.
- Individuals choose between relatively safe financial futures and relatively risky financial futures.
- Differences in market demand for products and services



## Milton Friedman 1912-2006

- The most accepted ethical principle endorsed over time is equal treatment—not equal outcomes.
- Outcomes depend upon individual efforts and ability, property, and risk-taking.
- Equal treatment judiciously must take into account the choices of leisure time, security, and the conditions of employment.
- It is a positive sum game—not a zero sum game, particularly after the Industrial Revolution.

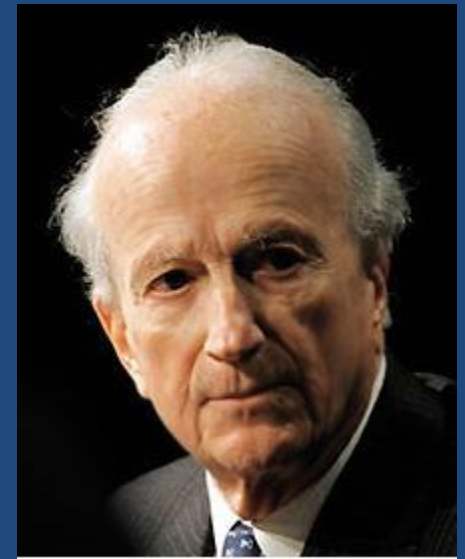
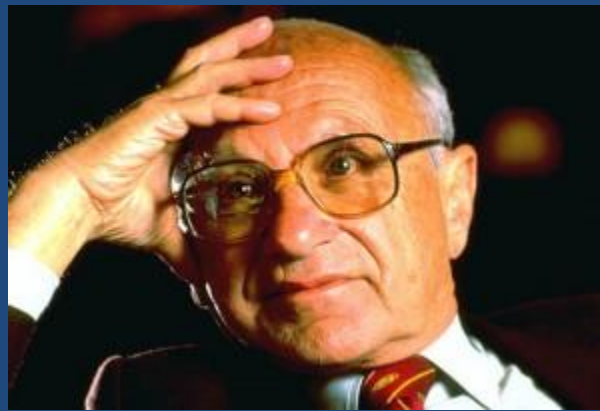


Gary Becker

1930-2014

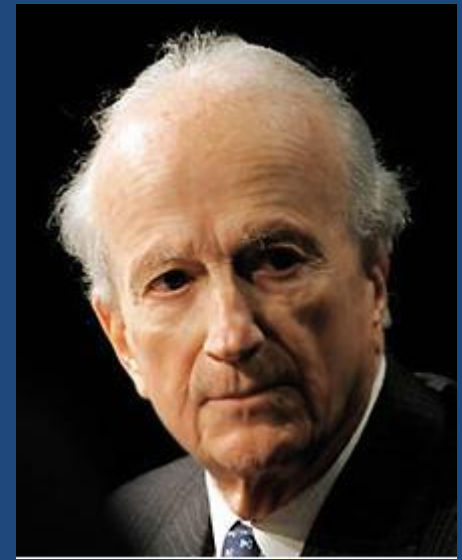
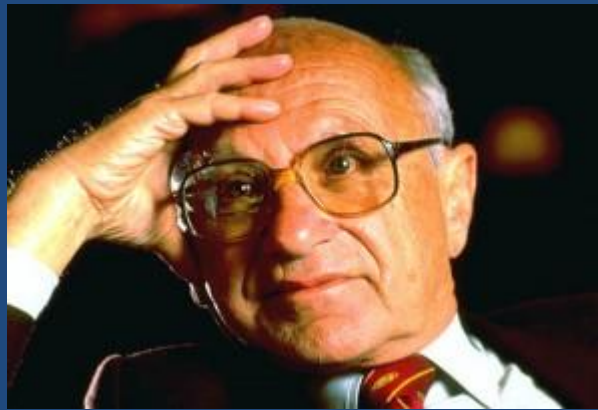
In the US, the inequality of income is substantially affected by educational attainment and the strength of the family unit.

- Educational attainment is substantially affected by the earnings potential gained.
- Wages and employment are substantially affected by investments in capital.
- Growing investments in capital promote economic growth



## Important Conclusions:

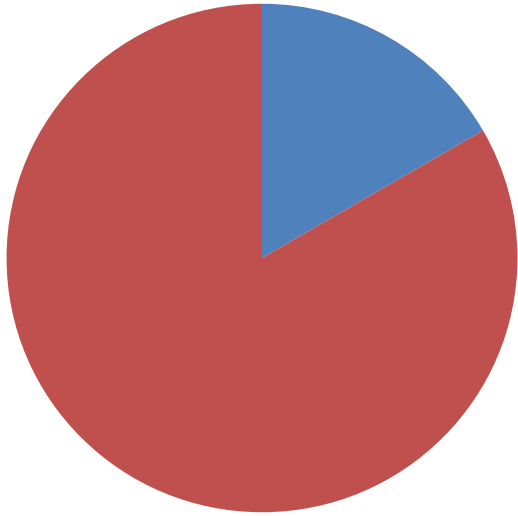
- Differences among individuals and free markets will result in unequal incomes—even with equal treatment.
- Government efforts seeking more equal incomes can result in more unequal incomes (e.g., all experiments in socialism)
- Two major factors are at play in the U.S.: poor quality public education and a breakdown in the family unit



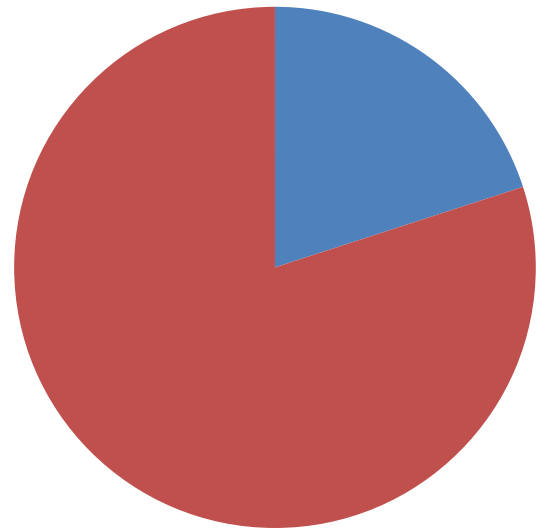
## Important Conclusions:

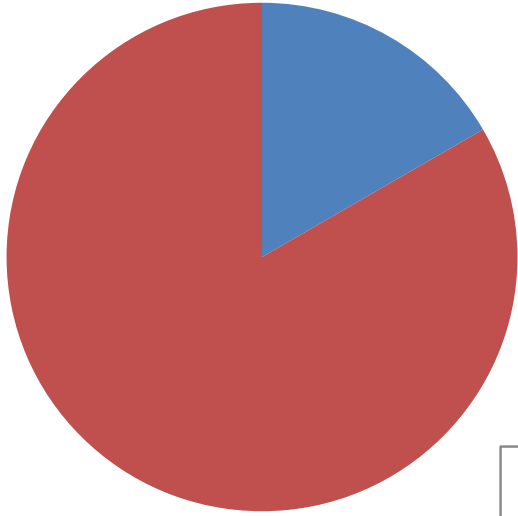
- Increases in taxes on higher incomes result in lower levels of educational attainment
- Subsidies to the poor, unrelated to disabilities, result in a growth in the number of poor
- It is not a zero-sum game. Economic growth has rid the world of extreme poverty than any other process known.



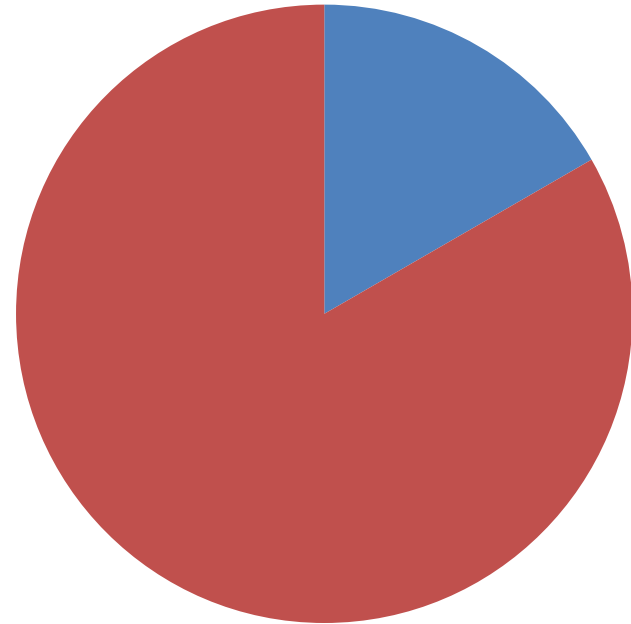


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## World Bank: Dollar and Kraay (2002)

- Empirical evidence: 92 countries, forty years of data
- Economic growth benefits the poor (the poorest fifth of the income distribution)
- Major drivers of growth: strong rule of law, international trade, developed financial markets
- Particularly beneficial to the poor: stabilized rates of inflation and small government spending

## World Bank: Ravallion (2005)

- Economic growth, on average, increases the incomes of the poor proportionately
- Yet, sometimes economic growth bypasses the poor, increasing the inequality of income
- Economic growth has a *smaller* impact upon the poor when there is a greater inequality of income
- Policies seeking to reduce income inequality but restricting growth is *not* recommended

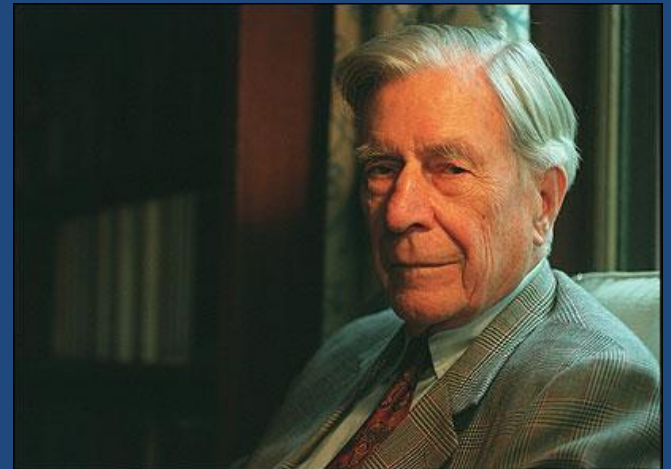
## Conclusions

- Morality calls for equal treatment—not equal incomes
- Concern for the poor, especially the disadvantaged, is a moral issue and one well considered in free markets
- Historically, a focus upon the inequality of income in free markets misdirects more legitimate concerns for the poor
- Economic growth has pulled more people out of extreme poverty than any other process in the history of mankind
- Historically, efforts to redistribute income have resulted in slower economic growth and an increase in the number of poor—a result opposite of intentions

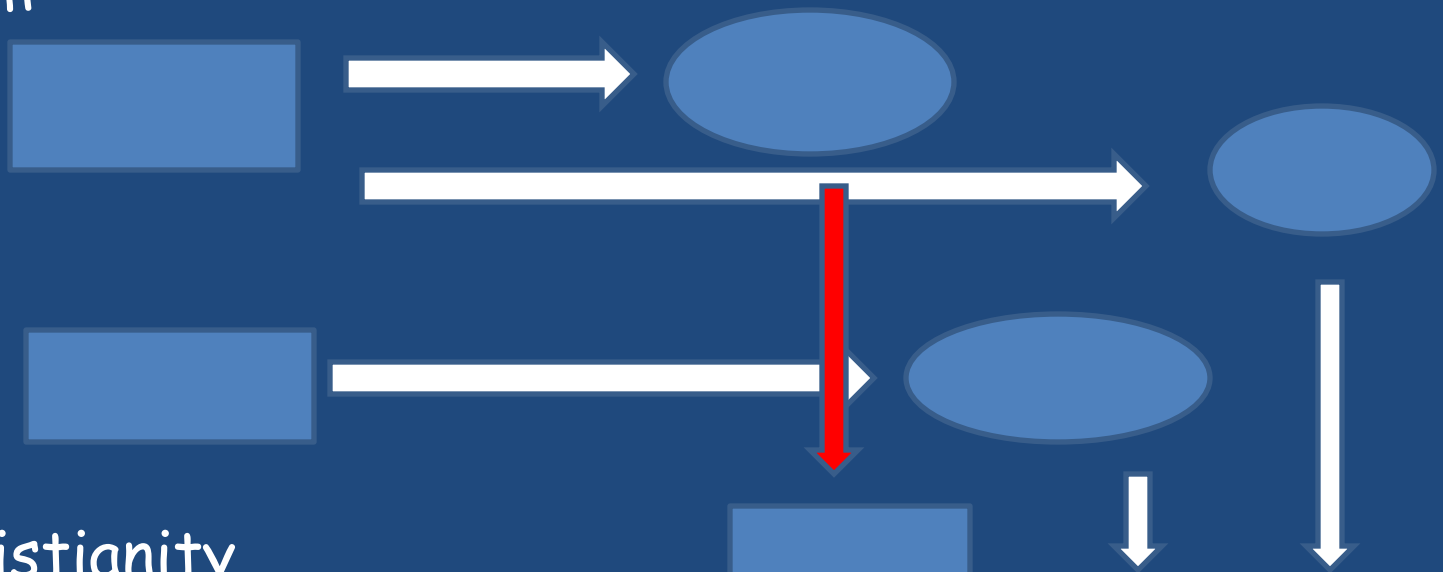
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Joseph Stiglitz, *The Price of Income Inequality*, 2012

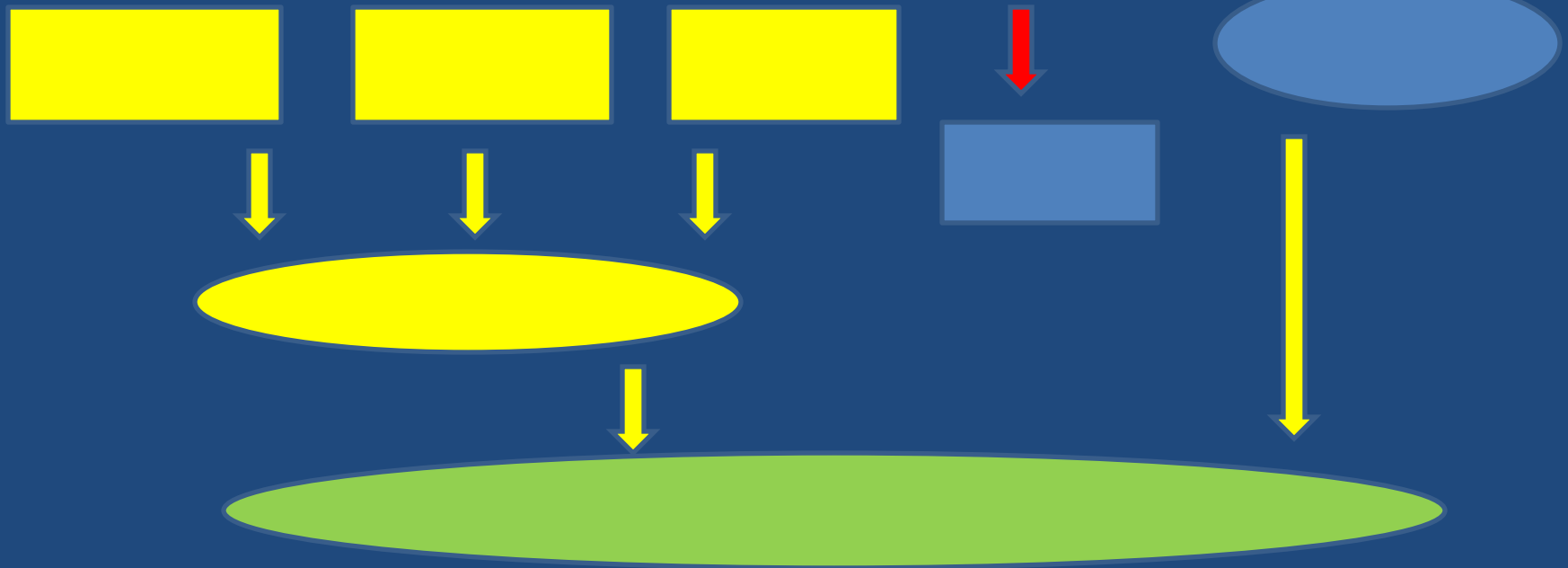
Kenneth Galbraith, *The New Industrial State*, 1967



Judaism



Christianity



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Christ was a Jew  
Apostle Paul was a Jew

Both knew the Old Testament Scriptures and  
Jewish Oral Law

Jewish Oral Law and the Torah set the  
context for Christ's teachings and the Apostle  
Paul's letters



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Christ's Ministries and Teachings took place between 25 and 30, AD

The first seven books of the New Testament were written as early as 50 to 59, AD and were Paul's letters: I Thessalonians, Galatians, I Corinthians, Philemon, Philippians, II Corinthians, and Romans

The first gospel written was Mark between 70 and 79, AD

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Roman occupation began in 63 BC at the invitation of the Jews to settle a dispute

The Great Revolt (66-70 AD)—triggered by Roman theft of silver from the Temple—Jewish riots against the Romans in Jerusalem

Roman garrison driven from Jerusalem

Rome: sent army of 60,000 into Galilee to the north  
Killed or enslaved 100,000 Jews

Refugees fled to Jerusalem—final stronghold

Zealots killed Jews who refused to battle the Romans

One million Jews died, 2<sup>nd</sup> Temple destroyed in 70 AD

Rabbi Joseph Telushkin, *Jewish Literacy*, 1991

## Bar-Kokhba Rebellion against the Romans, 132-135 AD

Romans tried to destroy Judaism (circumcision and reading the Torah—capital offenses)

Bar-Kokhba led Jewish army and captured Jerusalem

50% of the population of Judea were killed or starved—non-Jewish population outnumbered the Jews

Great Revolt and the Bar-Kokhba Rebellion:  
greatest Jewish tragedies until the Holocaust.

Rabbi Joseph Telushkin, *Jewish Literacy*, 1991

Attempts to maintain oral scholarship—decreasing numbers of keepers of Oral Law

Early Rabbinic discourse recorded in 200 AD  
Judah the Prince started the **Mishna**

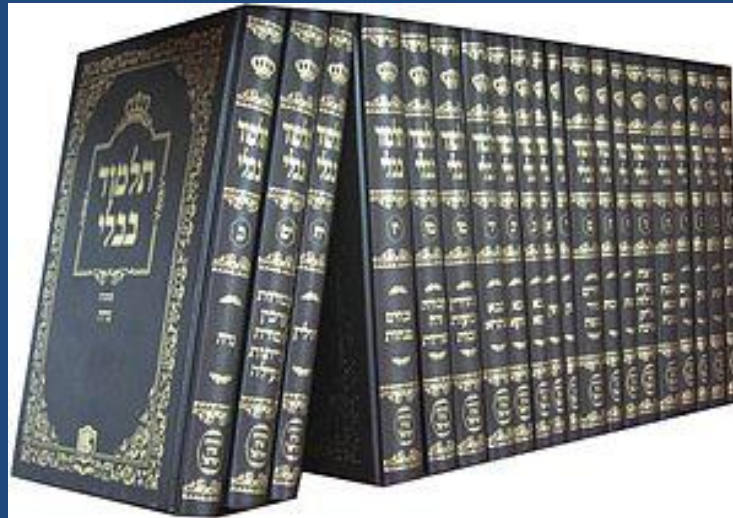
Creation of the **Talmud** (500 AD)

Jerusalem Talmud

Babylonian Talmud (most complete)—equivalent to standard print 6,200 pages

Rabbi Joseph Telushkin, *Jewish Literacy*, 1991

# Complete Talmud



"... the revelation at Sinai included oral law—or, more correctly, oral tradition. This *Torah SehBe'al Peh* (oral law) was (according to Judaism) given to Moses as well, so that the two, the oral law and the written law, form one unit. **Jewish law cannot be conceived of, let alone applied, without reference to this unity.**"

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# Jewish Principles from the Torah, Mishna, and Talmud

Man necessarily lives in the material world.

Man is part human and part divine—set apart from the animals—created in God's image.

Man, being in God's image, is obligated to express his dominion over the material world and to attain a higher level—to bring the material world closer to the completed creation.

Man is to care for the poor and the disadvantaged

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Charity is to be decentralized: family first, neighbors second, city residents third, etc.

It is not immoral to deny relief to the poor who are able bodied.

A poor person is required to go to all reasonable lengths to avoid a situation of dependence upon others (e.g., it is better to work on the Sabbath than to receive charity).

There are levels of charity: highest—offering a loan, a business partnership, or a job, lowest—unconditional monetary handouts.



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Individual goal: honestly accumulate wealth so as to acquire the ability to care for others in need.

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Questions and (Hopefully) Answers