Move Beyond the One-hit Wonder of Economic Growth and Use the Whole Hymnal

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Abstract: On the choir director’s stand, in the church of economists and policymakers, like a singly worn page of “Amazing Grace” in an otherwise untouched hymnal, is the anthem of economic growth. This song once had great life, but the tempo of GDP growth has slowed. Due in part to the slowing tempo, economic growth alone is insufficient for solving the myriad ills present in contemporary society. Fortunately, the anthem of economic growth is just one page in the hymnal yet to be fully explored. Other pages from the hymnal can find their roots in a wider set of higher-order principles for the economy that could be derived from the Bible. These higher-order principles would likely concern work, rest, debt, stewardship, poverty, integrity, and our relationship to others, and would support human flourishing if utilized. Consequently, this article argues for the development and use of biblically derived higher-order principles as guides for both defining economic goals and exploring ways to achieve them.

The anthem of economic growth has been sung loudly by economists and policymakers, and it’s no wonder why. A doubling of the growth rate in per capita Gross Domestic Product roughly halves the time that per capita income takes to double. Economists know what this can mean: more food, better shelter, greater access to healthcare and education, longer lives, and generally higher well-being for society. And that is not all. Economists have identified additional benefits of economic growth to poverty and inequality, to the environment, to government’s fiscal sustainability, and even to morality. For instance, the average income of the poorest 20 percent of the population has risen with average income overall for a large cross-country dataset. Moreover, an inverse-U or Kuznets Curve exists between pollution and income growth, meaning that air and water quality improves as a country moves from middle to high-income status. As Nobel Laureate economist Robert Lucas writes: “Once one starts thinking about economic growth, it’s hard to think about anything else.” Before setting Lucas’s

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words to the tune of “Amazing Grace,” however, consider that economic growth has not been and likely won’t be the sole means of salvation for society’s economic ills. However, the Bible provides a richer and broader set of higher-order principles for guiding economic policymaking toward human flourishing than a focus on economic growth alone could yield that would be valuable even in a secular context. Turning beyond the exhausted page of economic growth will reveal sources for new goals, paths to pursue them, their potential for broad appeal, and means consistent with biblical ends.

1. A Slowing Tempo

For all that has been accomplished through economic growth, it is not what it once was in the United States and other high-income countries. The growth rate in US real GDP per capita, an inflation-adjusted measure of income per person, has fallen from 2.3 percent per year in the last half of the 20th century to 1.2 percent per year in the first nineteen years of the 21st century. The slowdown is predominantly due to demographic changes and a shift from high-productivity-growth goods industries toward low-productivity-growth service industries, rather than due to trade, taxes, regulations, or other factors. As these movements largely reflect societal preferences, they are not likely to be easily or quickly reversed.

Unfortunately, the growth slowdown is worse for those at the bottom of the income ladder. For the last forty years, only those in the top 13 percent of income earners in each percentile of the US population had post-tax income growth higher than the average of 1.42 percent. Over the same period, those below the 15th percentile saw their pre-tax income fall and their post-tax income rise by less than 0.35 percent per year on average. This widening inequality in income and wealth strains economic, political, and social institutions, which can further hinder economic growth.

Not only is economic growth slowing and inequality widening in the United States but other factors are also working against the gains that might have come through economic growth for such issues as fiscal and environmental sustainability. Due in large part to major crises and unfunded tax cuts, the US federal government’s public debt rose from 376 percent in 1999 to 78.0 percent of GDP in 2019 and is forecasted to
rise to 98 percent of GDP by the end of 2020. Even before the recent run up in debt due to the COVID-19 pandemic, the public debt was projected to rise to 180 percent of GDP by 2050 based on expected increased outlays for social security, Medicare, and net interest expenses. The collective-action problem of climate change is expected to significantly increase the risks of wildfires, flooding, hurricanes, and other issues for North America in the medium and long terms. The economic, social, and political problems of the United States are significant. Singular focus on growth can no longer meaningfully enhance the collective quality of human life so, in the policy realm, it is time to move past the one-hit wonder of economic growth and use the whole hymnal.

2. “Be Thou My Vision”

A complete hymnal would include a broad set of biblically derived higher-order principles concerning such economic matters as creation, work, rest, debt, stewardship, poverty, integrity, and our relationship to others. Developed together, the biblically derived higher-order principles could aid our understanding of the temporal and material aspects of human flourishing, as well as guide economic policymaking. This is no way a call for theocracy. It is, however, a recognition that theology can be a valuable source of norms and goals for guiding economic policymaking. Even if society chooses to reject these norms or the policy goals developed therefrom, a conversation would have begun on what has often been left unexamined or unarticulated. Economics can then be utilized for what it does best: finding the most efficient ways to reach those policy goals. In the absence of this or a similar process, economists, policymakers, and others will fall back to their default goals for policymaking.

To some extent, economic growth is consistent with whatever higher-order principles would reasonably be derived from Scripture. The first book of the Bible, Genesis, reports: “God created humankind in his image.” Necessarily, then, humans are created as creators. A few verses later: “God took man and put him in the garden of Eden to till it and keep it,” suggesting that humans have some authority over what is produced from the earth. After examining these very scriptures, Edd Noell, Stephen Smith, and Bruce Webb write what would make a very good biblically derived higher-order principle: “Material well-being that is the result of human creativity, investment, and work should be celebrated,
not shunned — though wealth is never to be worshipped in the place of God" or, in more secular terms, wealth in and of itself should never be a primary motivator. To fully declare this a biblically derived higher-order principle, rather than the tentative sketch of one, greater rigor and scriptural support would be needed. However, it is easy to see how factors leading to and coming from economic growth can contribute to human flourishing in both biblical and secular terms.

Other scriptures provide both bases for and limits on economic activity and growth. For instance, parts of the Mosaic law have an anti-growth bias such as those regarding Jubilee, debt-release, and sabbatical, while other parts encourage growth, including those concerning the promotion of monetization in the economy and increased regard for strangers. Even property rights, which economists contend are one of the great securers of economic activity and growth, find both basis in the Bible, e.g. remember "Thou shall not steal," and limits, such as the Levitical requirements concerning gleaning, tithe, and land sabbatical. Still, none of these decrees is conditioned on whether or not it affects overall economic activity. So, it seems reasonable to assume that for whatever higher-order principles for the economy that could reasonably be derived from the Bible, those favoring or hindering economic growth do not have any primacy over the others.

A generation ago, Christian economists Donald Hay and John Tiemstra independently developed “biblical principles for economic” life/activities. Hay organizes his eight principles around stewardship, specifically with regard to “creation and man's dominion, man and his work, and the distribution of goods.” Noting that “Bible writers deal with economics on almost every page,” Tiemstra derives sixteen principles, many of which also concern stewardship of our God-given abilities, talents, and natural resources. Certainly economic growth can be consistent with stewardship, as growth can come from more efficient or creative use of resources, but these principles stand on their own, independent of their impact on economic growth.

Hay and Tiemstra’s methodologies for generating a set of biblically derived higher-order socioeconomic principles are similar, especially with regard to their epistemic foundations. Both directly and exclusively consult Scripture to create generalized principles useful for analyzing modern economic issues. By focusing on the generalized principles first, they limit the possibility that scriptures are cherry-picked to suit
a particular agenda. They also seek to derive these principles without sacrificing the weight and significance of the original biblical witness. Hay in particular notes the danger of creating a set of principles that would be used independently of the original source, obscuring the wisdom contained therein. He contends, however, that the issue can be mitigated because Scripture itself contains some direction for its own interpretation.\textsuperscript{23}

With these biblically derived higher-order principles already developed, there is a host of possible reasons why society is not singing from the wider hymnal. These or similarly derived principles may remain unknown, ignored, or deemed irrelevant for speaking on economic policymaking and into the public square. One step in the right direction would be to reorganize the hymnal. For these principles to speak to economic policymaking, it would be worth reorganizing them into policy categories, such as labor, poverty, inequality, economic growth, institutional design, environment, globalization, and debt. This is not to say the Bible is an economics textbook or that what has been written regarding economics and economics millennia ago is easily adaptable for today’s economy. However, it already says something of importance if a book held in such high esteem by so many and applied to so many other areas of life speaks on a range of economic issues.

This article is not written to lay out what the biblically derived higher-order principles — or by metaphor, the songs of the hymnbook — are. That great task will require significant time and consideration: “The Christian who wishes to comment on economic issues has no shortcuts available, no answers that he [or she] can read off directly. Submission to the scriptures, intellectual humility, a willingness to listen to other Christians, and openness to the guidance of the Holy Spirit are the qualities required.”\textsuperscript{24}

It is possible here, however, to sketch out some categories for which scripture should be gathered in order to develop some biblically derived higher-order principles. Regarding labor, scriptures, for example, speak on the value of humans in and beyond their work, the treatment of workers including immigrants/aliens, the provision of work opportunities for the poor, as well as wages, rest, and idleness. Concerning debt, scriptures speak to the value and limits of saving, borrowing, and lending, as well as to the responsibilities of lenders and borrowers. In both the Old and New Testaments, scriptures speak about material wealth, including
responsibilities of the rich and criteria for taxation, tithes, and offerings, and for the provision of goods, resources, and funds for the poor.

Many of the principles that flow from Scripture would assuredly fall under a banner of stewardship, but this banner alone does not help attain the richness of what the Bible says on issues of labor, debt, material wealth, the environment, and beyond. For example, numerous Old Testament declarations against partiality, bribery, and false weights and balances, alone suggest the need to consider a biblically derived higher-order principle regarding institutional integrity for government and businesses. Even such Levitical notions as the Year of Jubilee lead one to ponder a biblically derived higher-order principle that would inform modern thinking as to how to remove barriers to equality of opportunity across the generations.

3. “Come, Thou Fount of Every Blessing”

The primary metanarrative of the Bible concerns God’s love for humanity and his call for them to reciprocate that love and to love each other. However, there are also subordinate biblical metanarratives for the economy from which our higher-order principles can be derived. As the above discussion suggests, these higher-order principles would likely lead to an array of criteria for what constitutes a good economy or contributes to human flourishing.

A full set of biblically derived higher-order principles would help a society develop a better vision of who they are and what they want. These principles could help yield not just answers but the questions of economic policymaking as well. Even if scriptures provide ideals, it would not be difficult to develop second-best solutions or approximations to these ideals. At the system level, biblical scriptures are fairly balanced between those that could support capitalism and socialism, respectively. However, it is still “instructive to know which and to what degree identified higher-order principles are satisfied in the various systems.” More specifically, these biblically derived higher-order principles could be used to help access what shortcomings exist in a given system and how they can be mitigated. Focus might then shift to adjustments within economic systems from the more abstract and less germane grand debates contrasting economic systems.

Having established the higher-order principles, it would be reasonable to seek improvements in some aspects of the economy that
are furthest from the biblical ideals in much the same way that our churches and souls sing “How Great Thou Art,” “Just as I Am,” or “It Is Well with My Soul,” at times of greatest conviction. For instance, developing countries far from the limits of their economic potential should not fail to strive for inclusive economic growth, but developed countries should not focus on economic growth to the exclusion of more pressing and consequential matters. This is not to say that developing countries should follow the path developed countries took in their own growth: quite the contrary. A full consideration of biblically derived higher-order principles would likely suggest that economic growth policies in developing countries would be tempered or even enhanced by considerations of debt, inequality, stewardship, institutional integrity, and the like. Standard economics knows this as well, particularly in the development literature. All too often, however, when it is time for policymakers to act — for the choir to sing — they have prepared only one hymn: the anthem of economic growth.

Together, biblically derived higher-order principles could also provide notes for a more melodic understanding of human flourishing. Perhaps the perfect melody will never be found, but the composition is worth exploring all the same. There already exists a burgeoning literature within economics concerning well-being and happiness. With biblical insights, concepts and measures of well-being and flourishing could be considered anew. More specifically, thebibically derived higher-order principles, once identified, could be analyzed to inform or help generate alternatives to more secular measures of well-being and happiness.

For those whose favorite hymn is the anthem of economic growth, or for those who have become comfortable and accustomed to its centrality in the economy’s service, it is worth clarifying here the main argument for greater diversity in the economic program. This is not an argument about the limitations of GDP as a measure of production or well-being. GDP’s shortcoming in these respects are already well known and documented. Also, the main argument here concerns neither the real distortions that wealth can bring to relationships between humans and with God, nor is it primarily about diminishing returns, though they are worth further highlighting: diminishing returns exist on the production side in that economic growth continues to slow in high-income countries across a range of tax, trade, and regulatory regimes and for varying levels of political commitment to economic growth. In terms of the income earned, empirical research supports what economists have
assumed since the 19th century, namely that marginal utility of income declines with increases in the level of income. So, there are reasons to argue that resources could be reallocated to other economic policy goals without any significant impact on economic growth or negative impact on well-being. Nonetheless, the main argument does not concern trade-offs, at least not in strict regard to the efficiency-equity dichotomy traditionally found in economics discourse. The main argument is not even about positive externalities, though more biblically inspired policies around work, rest, debt, stewardship, poverty, institutional integrity, and our relationship to others, could also indirectly raise the economy’s growth rate.

The main argument here is that the Bible speaks deeply on a wide range of matters of value to economic analysis and policymaking, but they are often ignored or underappreciated in their connections to human welfare or flourishing. In recognizing the wider set of economic principles that can be derived from the Bible, the question naturally turns to how economic growth should be weighed against any competing claim made in Biblical provisions on work, rest, debt, stewardship, and the like. A prescribed answer won’t likely be found in the Bible but that does not rule out economists considering what policymaking decision function or measure of human flourishing best captures the spirit of the Biblical economics commentary on these matters. Even small changes in economic analysis and policy goals could make a difference. For instance, the utility maximization problem of neoclassical economics could easily be altered to reflect not only budget constraints but also moral constraints, as well as the direct valuation of important contributors to human flourishing, such as creation and work, in the utility function. However, a biblically inspired policymaking decision function or measure of human flourishing does not have to be fully established for economists and policymakers to move beyond the single objective of economic growth, or even the efficiency-equity dichotomy, to consider a wider array of criteria and objectives. Economists could easily provide policymakers with a menu of objectives and means to reach those objectives. Thus, the use of the whole hymnal — as it were — should lead to more robust economic analysis and policymaking.

Biblically oriented economic policymaking is not without precedent. The turn-of-the-20th-century US Social Gospel movement is a historical example. Many of the Progressive Era labor policies such as the
abolition of child labor, improved workplace safety, and reduced workweek had their roots in the Social Gospel movement. The policy successes were in part due to mainline Protestant churches’ unified voice and then-heavy influence over US policymakers, as well as analysis and advocacy by social scientists of the era. Arguably, the policy successes of the Social Gospel movement would be hard to replicate here in a postmodern, divided, and increasingly secular society when fewer people are singing out of the same hymn book. However, a new tune can spread like a wildfire, to where virtually everyone is humming it. Political economists often assume economic actors are driven by interests, but ideas can and often do trump interests:

Even if economic actors are driven purely by interests, they often have only a limited and preconceived idea of where their interests lie. This may be true in general, of course, but it is especially true in politics, where preferences are tightly linked to people’s sense of identity and new strategies can always be invented. What the economist typically treats as immutable self-interest is too often an artifact of ideas about who we are, how the world works, and what actions are available.

4. “O for a Thousand Tongues to Sing”

Widespread adoption of biblically derived higher-order principles may not be the best or only measure of success. The principles themselves could give people of faith more songs they can sing in the public square. As suggested above, the biblically derived higher-order principles worth emphasizing most at a given point are likely those which most challenge the status quo of that time and place. Moreover, biblically derived higher-order principles would likely have their greatest impact “outside the citadel of the establishment,” to borrow a phrase from theologian Lesslie Newbigin. Furthermore, for people of faith, the teleological and aspirational nature of these biblically derived higher-order principles would help them in the public square be “prepared to make a defense to anyone who asks [them] for a reason for the hope that is in [them].” This would have both internal and external ramifications in a world where a sense of hopelessness permeates the public square on such issues as the environment, debt, poverty, and inequality. Policies in
and of themselves are not fully salvific. Yet people of faith are reminded that redemption is neither limited to private spheres, nor is it a one-time event: it extends to the public square and can be an ongoing process.

A full set of biblically derived higher-order principles would likely cross traditional political lines. Perhaps counterintuitively, this could contribute to their sustainability in the discourse of the public square. The Social Gospel movement fell away in large part due to the religious movement being subsumed by the Progressive political movement. The modern US Evangelical movement may be facing similar issues. A full set of biblically derived higher-order principles could help people of faith preserve their distinctiveness as the salt and light of which Matthew 5:13-14 speaks. At the same time, the tangibility of the ideals expressed in these principles would allow people of faith and other members of society to find common ground in the public square.

5. “Give Me that Old Time Religion”

If answered, the call to develop and utilize biblically derived higher-order principles in economic policymaking would constitute a renewed recognition that the economy can have ends, beyond growth, to strive toward. John Stuart Mill understood this when he wrote “On the Stationary State.” John Maynard Keynes understood this when he penned his essay “Economic Possibilities for Our Grandchildren.” Theologian Lesslie Newbigin also understood the problem of growth for growth’s sake. He noted that:

Growth is for the sake of growth and is not determined by any overarching social purpose. And that of course is the exact account of the phenomenon which, when it occurs in the human body, is called cancer. In the long perspective of history, it would be difficult to deny that the exuberant capitalism of the past 250 years will be diagnosed in the future as a desperately dangerous case of cancer in the body of human society – if indeed this cancer has not been terminal and there are actually survivors around to make the diagnosis.39

The Bible provides direction as to what the economy’s ends are. Certainly, economic growth is consistent with Scripture, but debt-fueled, poor-exploiting, soul-crushing, body-wearying, environment-degrading,
community-abandoning, and integrity-undermining economic growth is not. To fully appreciate and build upon this understanding, to go beyond the one-hit wonder of economic growth to a more humane economy, a robust set of biblically derived higher-order principles for the economy needs to be developed. As discussed above, the development of these principles could even lead to a more melodic understanding of human flourishing. With the principles identified, policymakers should focus their attention most in the areas that are furthest from achieving their potential or would provide the greatest gains to human welfare. Such an approach would work politically and be sustained precisely because a full set of biblically derived higher-order principles would provide a tangibility of ideals that would cross traditional political divides and provide common ground for greater discourse.

Some might see this article as a call solely to economists, policymakers, and citizens of faith, but it can and should have broader appeal. True, a person of faith might answer this call because God “put a new song in [their] mouth[s]” and they know he “delights in the welfare of his servant.”40 However, Scripture asserts that its relevance transcends time and circumstances.41 Therefore, and as noted above, broader audiences who themselves have become used to humming the same old tune would benefit from a wider focus on human flourishing. Economists, for example, would gain insights from contemplating utility maximization with different variables and constraints. Surely, policymakers too would like to choose from not one but from a hymnal full of policy goals. If biblically derived higher-order principles for the economy can add value for choirs of every creed, won’t you join me in the chorus?

Notes

1. I am grateful to Aubrey Emmett and Becky Todd for research assistance, as well as to attendees of the Kirby Laing Centre for Public Theology’s October 2020 Nuances in Public Theology lecture for valuable comments.

2. For example, see Charles I. Jones and Peter J. Klenow, “Beyond GDP? Welfare Across Countries and Time,” American Economic Review 106, no. 9 (2016): 2426–2457. In this study, Jones and Klenow find a correlation of 0.98 between GDP per capita and a consumption-equivalent measure of welfare that combines data on
consumption, leisure, inequality, and mortality for a broad range of countries.


8. I made these calculations using data from the US Bureau of Economic Analysis, see https://www.bea.gov/.


11. For example, controlling for aptitude, “children born to parents in the top 1% of the income distribution are 10 times as likely to become inventors as those born to families with below-median income.” These “lost Einsteins” likely have significant influence on the overall rate of innovation, a key driver in economic growth. Alex Bell, Raj Chetty, Xavier Jaravel, Neviana Petkova and John Van Reenen, “Who Becomes an Inventor in America? The Importance


14. It is worth noting here that the study cited earlier by Chad Jones and Peter Klenow, which showed a correlation of 0.98 between welfare and GDP per capita, also used detailed micro data for 13 countries to show a median deviation of 35 percent. This provides yet another reason to believe more direct methods to improving welfare than GDP growth would be beneficial.


25. Some pronouncements against false weights and balances can be found in Leviticus 19: 35-36; Proverbs 11: 1, 16: 11, 20: 10, 20: 23; Ezekiel 45: 10; Hosea 12: 7; and Micah 6: 11-15, while calls for officials to shun partiality, bribes, and other forms of injustice include Exodus 18: 21; Deuteronomy 16: 18-20; Isaiah 10: 1; and James 2: 1-9.


31. See, for example, Noell, Smith and Webb, *Economic Growth*: 14.

32. For further discussion of the distortions of wealth, see Miroslav Volf and Ryan McAnnally-Linz, *Public Faith in Action* (Grand Rapids, MI: Brazos Press, 2016): 34-35. The authors include among those distortions, (1) the idolatrous reliance on wealth, (2) the improper acquisition of wealth, and (3) the ascription of ultimate value to wealth.


38. 1 Peter 3: 15 (ESV).


40. Psalms 40: 3 and 35: 27.

41. Tatum’s “A Theology of Economic Reform” references Romans 15: 4 and 2 Timothy 3: 16-17 in this regard.