



# Godless Capitalism

by Jonathan Aitken

**W**HAT SPIRITUAL LESSONS should be learned from the world's white-knuckle ride into, but not yet out of, financial meltdown? As the roller coaster has not halted on anything close to terra firma, it is premature to join in the chorus of praise and thanksgiving to the recently canonized savior of capitalism, Treasury Secretary Henry Paulson. His halo may slip in the coming months, but St. Hank undoubtedly deserves credit for staving off short-term disaster on both Wall Street and Main Street, even though his swoop of nationalizing more assets in America than Vladimir Putin holds under state control in Russia will not delight the consciences of all conservatives. But as this is not a column about political philosophy or economic theory, let's take a step upward from the terrestrial floor of the stock market and engage in some celestial speculation on what the divine perspective of the current chaos might be.

Five years ago when studying theology at Oxford, I was invited to deliver a lecture at London's Institute of Economic Affairs (IEA) with the prescient title, "Can the practices of the free market economy be reconciled with the teachings of the Gospels?" Although the answer was in the qualified affirmative, my IEA audience gave the lecture what might politely be described as a mixed reception. In a condescending sort of way, the assembled bankers seemed comfortable at being reminded that in both the Old and New Testaments, from the flocks of Abraham in Genesis to the parable of the talents in Matthew, there are many nods of approval for wealth creation. But back in those good times of 2003, there were few who appreciated a presentation saying that the Gospels contain several stern theological signposts pointing out the need for better business practices in

the marketplace. What today's crisis emphasizes is that those signposts have been massively ignored. This is because legal compliance has replaced spiritual conscience as the arbiter of what passes for right and wrong in the world of financial services.

In most value systems removed from the wealth accumulation imperatives of Wall Street, it is generally acknowledged that greed and arrogance are unattractive vices. But the masters of the universe thought differently. In the eponymous movie in which Michael Douglas played Gordon Gekko proclaiming to an AGM of shareholders, "Greed is good!" his philosophy was seen by many traders as more inspirational than villainous—at least until the end, when Gekko's young protégé, played by Charlie Sheen, gets arrested. But even if Hollywood tried to turn greed into a caricature, there were serious voices from the academic world making it respectable, most famously Milton Friedman, who argued that the only business of a corporation was to make more and more money for its shareholders. This "determinist capitalism," as it became labeled, was gently opposed by advocates of "moral capitalism." One of the most thoughtful of those opponents has been Margaret Thatcher's former policy adviser Brian Griffiths, now vice chairman of Goldman Sachs. He has made it clear in his writings and speeches that his personal market philosophy is rooted in his Christian faith. But such supporters of moral capitalism have been voices crying in the wilderness. Perhaps they will get a better hearing from now on.

**S**O WHAT IS GOOD OR MORAL CAPITALISM? It starts with positives such as the alleviation of poverty, family involvement in business, good stewardship, the encouragement of talent, a fair day's pay

for a fair day's work, honoring agreements, cherishing the land and the natural environment, settling disputes out of court, respecting the spirit as well as the letter of the law, and paying taxes. There are plenty of exhortations and commands on all these subjects to be found in the pages of the Bible.

One of the most powerful teachings of Jesus defining the bad characteristics of a capitalist is the parable of the rich fool (Luke 12:16-21). He was a successful agricultural businessman who made a killing from a bumper harvest but had no idea what to do with it. The Gospel continues: "Then he said, this is what I'll do. I will tear down my barns and build bigger ones and there I will store all my grain and my goods. And I'll say to myself, 'You have plenty of good things laid up for many years. Take life easy; eat, drink and be merry.' But God said to him, 'You fool! This very night your life will be demanded from you. Then who will get what you have prepared for yourself?'"

Some secular readers of the parable are puzzled by it. What did the rich man do wrong? In 21st-century terms, he fattened up his retirement fund, planning to enjoy himself on the golf course and in the best restaurants. Nothing much wrong with that, many Wall Streeters might think. But his fundamental flaw was that the rich fool had no spiritual compass. So he confused enough with excess. He was a hoarder, not a giver or reinvestor. His materialism had no purpose beyond hedonism. He was a creature of present time with no understanding of eternity. So he put himself and his lifestyle first, with God a very poor second.

A key characteristic of God-ignoring capitalists is that while they may (with the help of their attorneys) keep within the law, they observe no guidelines of conscience beyond it when grasping for profits. Consider the recent history of those ill-fated subprime (i.e., junk) mortgages. Remember those advertisements saying "Loans for 125 percent of value available" or "Bad credit rating no problem"? Didn't anyone stop the lawyers and lenders' gravy train to ask whether putting this kind of business on the books might be morally wrong as well as financially flawed? But then, they weren't putting it on their

own books, were they? In an amoral game of pass the parcel, the wheeler-dealers packaged up vast numbers of dud loans into ill-defined "financial instruments" with gobbledygook names like "credit default swaps." These were sold and resold around the houses until the music of boomtime stopped. Bust followed by panic ensued. It is a classic example of the

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three stages of Greek tragedy—hubris followed by nemesis followed by catharsis. But it all started with pride, which C. S. Lewis rightly calls "the great sin" and "the complete anti-God state of mind."

**G**OD IS ALL TOO USED TO these follies of mankind. From the worship of the golden calf to the story of the rich fool, He has seen and warned against it all. In His mercy He still offers us a way out that is called repentance, a word that when literally translated from the original Greek *metanoia* means a change of heart and mind. The good St. Hank Paulson may have tuned in to this requirement, for he was quoted recently as saying, "America has been humbled....Raw capitalism is dead." But what is going to come alive in its place? Humility, reading the Gospels, and some clearer definitions of moral capitalism should be the start of this repentance process. But first another of Jesus's examples needs to be followed. The money changers will have to be driven out of the temple. ❧

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