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# A Biblical Basis for Reducing Extreme Disparity in Property Ownership

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## I Introduction

To what extent is reducing extreme disparity in private property ownership a biblical guideline? If a high proportion of private property is owned by a few, with vast swathes of people precluded from owning property, how far does this deviate from normative biblical teaching? Smoothing or widening property ownership are terms used here to mean moving toward an ownership pattern where excessive disparities are reduced. If a biblical aim is for all people to have sufficient private property to be able to attain a lifestyle not vastly inferior to some average norm prevailing in their society, the presence of wide differences in property ownership undermines this aspiration.

A selection of Jesus' teaching is analyzed in the following sections, with the aid of biblical exegeses. The conclusion is that God and Jesus intend property ownership to be widespread, that extreme disparities are to be al-

leviated, and that property should be distributed reasonably evenly, which does not mean equally. Private property is such a good thing that everybody is meant to have a fair share. The meaning of smoothing, widening, widespread, norms, fair share, extreme disparities, reasonably, and so on emerge from the biblical analysis.

The guidelines proposed here to spread property ownership are not exhaustive, and do not constitute a comprehensive approach to poverty alleviation. For example, biblical guidelines not examined here include fostering and maintaining marriages, and facilitating people to use their talents to the utmost. A high proportion of the poor in the US are either single mothers or children of single mothers. A long-term marriage, or being a child of parents who stay married for a lifetime, is a strong indicator that a person will not fall into poverty.

This is also closely related to getting an education. Americans with a

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decent education stay married more frequently and consistently earn much more money than those without a good education. The initiatives reviewed here do not explore these issues, but they are complementary to enabling more poor people to access owner-occupied housing, and to getting a stable job.

The term 'property' is not used in the Bible, but can be identified as the assets people owned, including houses, land, domestic and farming implements, livestock, slaves etc. Since some of this property had a marketable value, it can also be called wealth or the sum of the value of exchangeable property people own.<sup>1</sup> This view accords with the definition of property in *A New Dictionary of Christian Ethics*, as 'that which one owns, one's wealth or goods'.<sup>2</sup> Nowadays, the gambit of ownership extends far further than in New Testament times, including ownership of copyrights, patents, and other intangibles.

By this definition, private property or wealth is equivalent to capital in modern terminology, wealth that can be invested to create further wealth. People are usually regarded as having rights over the property, wealth or capital they own, including 'rights to control, benefit from and dispose of property on an exclusive basis',<sup>3</sup> apply-

ing in a more restricted sense in New Testament times than today.

If a biblical guideline is that property ownership should be widespread, to what extent does it apply in the contemporary world, looking just at the US example? Evidence on the issue is examined in section two. It appears that many people have few particular forms of private property. At the same time, a small minority has very large holdings of private property. We are not concerned with why this disparity exists. The *status quo* is taken as given. It suggests opportunity to extend the reach of property ownership for those low on the ladder.

Section three presents a restricted range of ways by which Christians and others are attempting to counter the imbalance, and help to spread ownership more widely. The paper does not endeavour to justify the reported exercises in which Christians and others are engaged. Suffice to say, as far as involved Christians are concerned, their motivation derives from what they interpret as God and Jesus' teachings. Beyond suggesting that their activities conform to the biblical guideline here under scrutiny, no further analysis is made on whether their chosen ways of approaching the biblical guideline are the most appropriate.

Also to be stressed is the limited nature of the kinds of programs examined here to widen property ownership. The argument does not deal with short-term assistance, such as food stamps, that may have effects indirectly on property ownership. Nor does

1 W. D. Rubenstein, 'Wealth', in W. Outhwaite and T. Bottomore eds, *The Blackwell Dictionary of Twentieth-Century Social Thought* (Oxford: Blackwell, 1994), 706.

2 Brendan Soane, 'Property', in J. Macquarrie and J. Childress eds, *A New Dictionary of Christian Ethics* (London: SCM Press, 1986), 507-508.

3 Nicholas Abercrombie, Stephen Hill, and

Bryan Turner, *The Penguin Dictionary of Sociology* 5th ed (London: Penguin Books, 2006), 311.

it deal with longer-term approaches to redressing human capital imbalance, noted above, such as educational deprivation that is a contributor to property ownership patterns. Finally, it does not take account of other ways government might attempt to broaden ownership. It deals only with certain private initiatives, recognizing that government assistance might be involved in these enterprises.

## II Jesus and Property Ownership

### 1. Advocating Equity

Rather than trying to cover the whole gambit of biblical teaching affecting property ownership, only Jesus' teaching on the matter is scrutinized. This follows the advice of Fee and Stuart<sup>4</sup> to 'distinguish between the central core of the message of the Bible and what is dependent on or peripheral to it', in which they place Jesus in the central core. They suggest constructing a 'hierarchy of narrative' in the Bible, so that the more important teachings receive precedence. Jesus is taken as the exemplar for Christians in teaching God's requirements.

As a precursor to examining Jesus' views on the matter, we note that he accepted the authority of the Mosaic Law, as per Matthew 5:17-19, and Luke 16:17. Keener interprets Matthew 5:17-19 to mean that 'Jesus demanded total obedience to the Scriptures', that, '*Jesus' language clearly affirms his commitment to the law of Moses*', for 'to

"fulfil" God's law was to "confirm" it by obedience and demonstrating that one's teaching accorded with it'. Keener continues that 'the idea that Jesus' death and resurrection is the "goal of the world", thus allowing the law to be set aside as fulfilled, violates the whole thrust of the passage'. 'Jesus upholds the law ... but is the decisive arbiter of its meaning'.<sup>5</sup>

Hagner expresses similar views, that 'it is necessary at the outset to indicate Jesus' full and unswerving loyalty to the law'. His is 'the presentation of the true meaning of the Torah'. To 'fulfil' is 'to present a definitive interpretation of the law ... [for] Jesus' teachings ... penetrate to the divinely intended (i.e., the teleological) meaning of the law'. 'The ethical teaching of Jesus the Messiah ... is nothing other than the true meaning of the Torah.' For Hagner, 'the law, as interpreted by Jesus, will remain valid until the close of this age'.<sup>6</sup>

Given that Jesus upheld the substance of the Mosaic Law, but not its minutia, the views of selected exegetes concerning property ownership in the Law are summarized briefly. Wright argues on the basis of the God-given principles by which the Promised Land was divided among the Israelites that 'land was intended to be equitably shared out, so that each household had its share in the national inheritance'. In his view, 'property rights... were grounded in the strong land-gift

<sup>4</sup> Gordon Fee and Douglas Stuart, *How To Read the Bible for All Its Worth* 3rd ed. (Grand Rapids, MI: Zondervan, 2003), 91, 81.

<sup>5</sup> Craig Keener, *A Commentary on the Gospel of Matthew* (Grand Rapids, MI: Eerdmans, 1999), 175, 176, original emphasis, 178, 182.

<sup>6</sup> Donald Hagner, *Word Biblical Commentary: Matthew 1-13* (Dallas, TX: Word, 1993), 103, 106, 110, 108.

theology'.<sup>7</sup>

No Israelite 'owned' the land, it being held for and in trust from God. There is broad agreement among exegetes that equi-proportional principles governed the area of land entrusted to each Israelite family in Numbers 26:54-56, and 33:54.<sup>8</sup> A wide distribution of property (land) was to be achieved with no extreme disparities in holdings.

Those who received no holdings, such as Levites and resident aliens, and those who were indigent, such as orphans and widows, were to be supported by a raft of provisions siphoning possessions to them. These included interest-free loans to Israelites, and the cancellation of the outstanding balances of loans every seven years (Ex 22:25-27; Lev 25:35-38; Deut 15:1-11; 23:19-20). Food was also to be provided by the better-off to these groups (Ex 23:10-11; Deut 14:28-29; 23:24-25; 24:19-21; 26:12-13; Lev 19:9-10; 23:22; 25:1-7). The aim of all the safety nets in the Mosaic Law, had they been practised, would have been to ensure a more even distribution of private property than would exist without the Law's provisions.

An extensive pattern of private property ownership was sought from which extreme disparities were pre-

cluded. All families were intended to enjoy a reasonable standard of living that would allow them to participate in the life of the community.<sup>9</sup> A summary of this orientation of the Mosaic Laws is given by conservative evangelical economist, Brian Griffiths: 'If they had been applied it would have been impossible for "labour" to be in conflict with "capital."' The problem Marx addressed was 'where capital was owned by a few, but the majority were without access to that capital... this was precisely the situation which the property laws of the Pentateuch were designed to prevent.'<sup>10</sup>

With this background from the Mosaic Law, Jesus' teachings with implications for property ownership are considered just from the gospel of Luke. An examination of the four gospels would be too lengthy here. The issue is whether Jesus' teaching, similar to that in the Mosaic Law, advocates reducing extremities in ownership, and thereby spreading property ownership more widely.

There are many of Jesus' sayings from which implications can be drawn that he was advocating a more extensive pattern of private property ownership.<sup>11</sup> Comment is made on

<sup>7</sup> Christopher Wright, *Old Testament Ethics for the People of God* (Leicester, UK: Inter-Varsity Press, 2004), 89, 90.

<sup>8</sup> See Roland Harrison, *The Wycliffe Exegetical Commentary: Numbers* (Chicago: Moody, 1990), 349; Jacob Milgrom, *The JPS Torah Commentary: Numbers* (Philadelphia: The Jewish Publications Society, 1990), 480-482; Katharine Sakenfeld, *Numbers: Journeying with God* (Grand Rapids, MI: Eerdmans, 1995), 145.

<sup>9</sup> David Baker, *Tight Fists or Open Hands: Wealth and Poverty in Old Testament Law* (Grand Rapids, MI: Eerdmans, 2009), 306-314; William Dörmers, *Touching the Heart of God* (New York: T&T Clark, 2007), 156-168; Leslie Hoppe, *There Shall Be No Poor Among You* (Nashville, TN: Abingdon Press, 2004), 24-41.

<sup>10</sup> Brian Griffiths, *The Creation of Wealth* (London: Hodder and Stoughton, 1984), 57.

<sup>11</sup> Lk 4:18, 31-35; 6:20-21, 24-25; 9:3-5; 10:4-7, 29-37; 12:16-21; 14:8-14; 16:19-31; 18:22, 25; 19:1-10).

each of these texts. Jesus' main purpose in these texts is not to instruct about property ownership. He is talking mainly about generosity as having more to do with the heart of the giver than any desired social outcome. Nevertheless, the argument will be that Jesus did desire equitable social outcomes among both believers and the wider world. Property ownership inferences can be drawn from Jesus' sayings above. His sayings with the most direct reference to property ownership are examined first.

A first saying is Luke 19:1-10, the story of Zacchaeus. Jesus extols Zacchaeus for offering to donate half of his possessions to the poor. The disparity between Zacchaeus and the rest is thereby diminished, even though Zacchaeus would still have remained a rich man. In Bock's view, Zacchaeus 'becomes an example of how to handle money generously', that his is an illustration of 'the proper way to use resources'. Zacchaeus 'is an example of a rich person who gets through the eye of the needle'. He 'becomes rich toward God'.<sup>12</sup>

For Ringe, redistributing 'his excess wealth to "the poor"' is one step in Zacchaeus' salvation. LaVerdiere looks further ahead, suggesting that the story 'prefigures the future course of Christian history, in which religious outcasts would repent, give to the poor and be saved'.<sup>13</sup> While these further im-

plications of Jesus' story are uncertain, it remains the case that Zacchaeus would spread his wealth more evenly than he would have done without making the offer he did.

A second saying is Luke 16:19-31, Jesus' Parable of the Rich Man and Lazarus. The property ownership aspect of the parable is revealed by Jesus' condemnation of the rich man because he did not share his wealth with Lazarus. Had he done so, property ownership would have been shared more equally between the two. Bock expresses this notion that 'the rich man's extravagant wealth and lack of compassion on earth has resulted in spiritual poverty and absence of mercy eternally'. The rich man 'failed to respond to the suffering and need of others around him'.<sup>14</sup>

As most exegetes note, the reference to 'Moses and the prophets' in Luke 16:29 concerns helping the poor.<sup>15</sup> If the need to help the poor materially were practised now, as per Hendricksen's interpretation, property ownership would become more widespread. Nolland holds that 'the parable suggests that there is a profound challenge to the social status quo to be found in the law and the prophets, that there is a desperate need for the privileged to search out their stipulations and to act upon them'.<sup>16</sup>

The third of Jesus' sayings is Luke 12:16-21, the Parable of the Rich

<sup>12</sup> Darrell Bock, *The Baker Exegetical Commentary on the New Testament: Luke 9:51-24:53* Vol. 2 (Grand Rapids, MI: Baker Books, 1996), 1521, 1524.

<sup>13</sup> Sharon Ringe, *Westminster Bible Companion: Luke* (Louisville, KY: Westminster John Knox, 1995), 232; Eugene LaVerdiere, *Luke*

(Dublin, IR: Veritas Press, 1980), 235.

<sup>14</sup> Bock, *Luke*, 1372.

<sup>15</sup> Bock, *Luke*, 1375; William Hendricksen, *Gospel of Luke* (Edinburgh: Banner of Truth Trust, 1981), 787; John Nolland, *Luke 9:21-18:34* (Dallas, TX: Word Books, 1993), 833.

<sup>16</sup> Hendricksen, *Gospel*, 785; Nolland, *Luke*, 833.

Fool. Exegetes interpret this parable to mean that the rich man 'has morally mismanaged his wealth, giving no thought to the needs of others or thanking God'. The man's omission, according to Bock, is that he 'mistakenly thinks he is only responsible for himself', exhibiting a 'selfish prosperity'; 'he did not fulfill his moral responsibility before God to care for the needs of others'.<sup>17</sup> To Evans, the man 'does not see his abundance as an opportunity to help those needing food'. He should have given 'away his surplus'.<sup>18</sup>

Arthur Just Jr goes a step further: 'the remedy for worry and anxiety over wealth is to *give away one's surplus... freely give away what God has freely given*'.<sup>19</sup> For Johnson, the conclusion of the parable, 'rich toward God' has two meanings: 'the first is the response of faith, the second is the disposition of possessions in accordance with faith, which means to share them with others rather than accumulating them for one's self'.<sup>20</sup> All these interpretations involve the rich man transferring wealth from himself to the poor, consistent with the thesis of this paper.

Even the disciples were instructed by Jesus to 'sell your possessions, and give alms' (Lk 12:33). Perhaps Jesus is not saying sell *all* your possessions.<sup>21</sup> This meaning is possible for the disci-

ples were not rich men, except perhaps for Matthew. Nonetheless, whatever possessions might have been sold and the proceeds directed to the poor by charity, the effect of Jesus' teaching would be for property to be spread more widely. The motive in all this is, as Bock notes, that 'pursuing the kingdom means caring for others, rather than for self'.<sup>22</sup>

The common purse of Jesus and the disciples was supported by the private offerings of certain well-off women (Lk 8:3). Again, property ownership was being widened. In Luke 9:3-5, and 10:4-7 Jesus instructs the disciples to take little private property with them for their missions. They are to be supported by the hospitality of others. Property is extended from the host to those without possessions, the disciples. The mission of Jesus and the disciples functions on this basis (as in Lk 11:37).

Jesus has a similar teaching for the rich ruler in Luke 18:22; 'sell all that you own and distribute the money to the poor'. The idea is that 'Jesus' request is designed to turn him into someone who actively cares for others'.<sup>23</sup> The poor are to be the recipients because 'the poor, of course, are those repudiated by the powerful but special recipients of the good news about the kingdom'.<sup>24</sup> Had the ruler followed Jesus' command, the wide disparity in ownership between the rich ruler and the poor would have been diminished.

Being rich, both in the time of Jesus and at the present time, is identified by

17 Bock, *Luke*, 1152, 1153.

18 Craig Evans, *Luke* (Peabody, MS: Hendrickson, 1990), 196.

19 Arthur Just Jr., *Concordia Commentary Luke 9:51-24:53* (St Louis, MO: Concordia, 1997), 507; original emphasis.

20 Luke Timothy Johnson, *The Gospel of Luke* (Collegeville, MN: Liturgical Press, 1991), 199.

21 Hendriksen, *Gospel*, 670.

22 Bock, *Luke*, 1166.

23 Bock, *Luke*, 1482.

24 Johnson, *The Gospel*, 277.



having private property vastly above that possessed by most people. Riches greatly exceed norms prevailing in the society in question; disparities are wide. Jesus' judgment that 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' (Lk 18:25), reinforces his teachings in the previous paragraph, that the rich are to direct some or all of their property towards assisting the poor. If they do this, they stand a much better chance of entering the kingdom of God. This is because 'the self-professed security of the wealthy is a padlock against kingdom entry'.<sup>25</sup> Nevertheless, it is still possible for the righteous rich, those who do the will of God, to enter the kingdom. Notwithstanding its other more important inferences, Jesus' teaching again implies the desirability of the rich becoming less rich through spreading their property more widely.

A mix of Jesus' further sayings, besides all their other richness, contains the implication that property ownership should be spread more widely than it was in his time. Jesus' first healing in Luke 4:31-35, and all his subsequent healings, have property ownership consequences. The healings have subsequent diverse meanings, but one is that only if people are well can they participate in obtaining sufficient means and private possessions to provide for their livelihood. It is reasonable to suggest that those whom Jesus healed were, before their healing, in parlous circumstances. To the extent that they were able to return to normal life after healing, a more widespread

distribution of property would eventually as they eased themselves into, or back into, work.

A variant of the property ownership effects from healing occurs in the Parable of the Good Samaritan (Lk 10:29-37). The parable has many connotations, but one is that the Samaritan transferred oil and wine to the injured traveller, and money to the innkeeper. On the reasonable supposition that the Samaritan was better-off than the injured traveller, private property is transferred from the better-off to the less well-off. As with Jesus' healings, the injured traveller is to be restored to health so that he can resume his normal occupation. Hospitality involving the transfer of property to those low on the ladder is revealed also in Luke 14:12-14, Jesus instructing the well-off to invite the poor and crippled to a banquet, rather than family or rich neighbours.

All Jesus' sayings above relate to the present age. For the future age, Jesus' Sermon on the Mount (Lk 6:17-49) suggests that on his second coming property ownership will become widespread, extreme disparities reduced. As with the reversal of the fortunes of diverse groups — the poor, the hungry, those who weep, the rich, the well-fed — so will the pattern of property ownership be reversed. Ringe<sup>26</sup> suggests that the poor in Luke 6:20 refers

to people who are economically destitute, who can claim no power in the existing system, and who reap no benefits from it... It is to such

<sup>25</sup> Bock, *Luke*, 1486.

<sup>26</sup> Sharon Ringe, *Westminster Bible Companion: Luke* (Louisville, KY: Westminster John Knox, 1995), 92.



people that God's reign belongs. The blessing is part of the reversal of fortunes that characterizes God's project.

In so far as the poor are hungry, Luke 6:21 'affirms that the basic human need for food is both a specific example and a symbol of all the human needs that are met in the establishment of God's reign'. Contrarily, in Luke 6:24-25, 'people who are rich, well fed... will also experience the alternative'. This is part of the good news Jesus announces to the world (Lk 4:18).

Tiede interprets Luke 6:20-21 as a declaration of the priority of those in need in the policy of his reign... The poor, hungry, and grieving may already be said to be blessed because the promises of God are being conferred on them now with the authority of the Messiah. The future of those who appear to have no future is already assured, and the rest of the world would be advised to discern that this is the way the reign of God works.<sup>27</sup>

The paradox of Jesus' reign is and will be a contrast between this age and the age to come. Those who adopt a God-undirected path to making wealth will receive a shock at the Second Coming. Luke 6:24-25 indicates that 'those who are wealthy and too concerned with worldly affairs to be bothered about the kingdom of God' will find their fortunes reversed upon Jesus' return.<sup>28</sup>

The reversal involves a more wide-

spread property ownership than has occurred throughout history. Craddock notes that 'Luke stated as early as the Magnificat (1:46-55) that the arrival of God's reign will be marked by a complete reversal of fortunes for the rich and the poor, the powerful and the powerless, the full and the empty'.<sup>29</sup> Not only in the eschatological future, but with Jesus' presence, this movement has already begun, 'an agenda for the followers of Jesus'. Since 'material, economic poverty is an outrage', and 'a perversion of the divine will',<sup>30</sup> Jesus proclaims that this situation will be turned on its head. Whereas the current pattern of wealth distribution is marked by extreme disparities, and greatly skewed to the rich and against the poor, this situation will be reversed at the Second Coming.

## 2. Counter Examples

Now consider counter texts by Jesus that might appear to tell against his favouring a more widespread configuration of private property. One might appear to be the Parable of the Pounds (Lk 19:11-27), with Jesus concluding that 'to all those who have, more will be given; but from those who have nothing, even what they have will be taken away'. Exegetes do not interpret the parable as contradicting the thesis of this paper. Bock<sup>31</sup> understands the pounds to 'represent responsibilities undertaken by the servants because of association with Jesus. They are to carry out their responsibilities effec-

27 David Tiede, *Luke* (Minneapolis, MN: Augsburg Publishing House, 1988), 141.

28 Evans, *Luke*, 108.

29 Fred Craddock, *Luke* (Louisville, KY: John Knox Press, 1990), 87.

30 Hoppe, *There*, 171, 172.

31 Bock, *Luke*, 1534, 1543.

tively and profitably until he returns.' They are to be faithful to the master's wishes during his absence. The servants and 'citizens of his country' (Lk 19:14) 'will be dealt with and rewarded accordingly when Jesus returns to exercise judgment as part of his authority'.

A similar view is expressed by Hendriksen, that Jesus 'at his glorious return will praise his faithful servants and will reward them in proportion to the degree of faithfulness they have shown'.<sup>32</sup> To focus on the pounds as property is mistaken, for 'the possessions motif is here a subsidiary to a political one... the parable is therefore "about" the successful establishment of a kingdom'.<sup>33</sup> Jesus' parables contain their message in a vehicle in which the literal descriptions stand for something else.

A second counter might be the way in which Jesus deals with selected rich persons. He does not always promote with them the widening of property ownership. The example of Zacchaeus notwithstanding, few conversations of Jesus with rich people are recorded. With Joseph of Arimathea (Lk 23:50-54), the only record of his actions is after Jesus' death. We do not know what advice Jesus would have given to him if alive.

The only other mention of an (assumedly) rich man talking to Jesus is Nicodemus who came to Jesus by night (Jn 3:1-15). The other references to Nicodemus are John 7:50-53 where he defends Jesus to the Sanhedrin, and John 19:39-42, where he brings spices

to anoint Jesus' body. Every time Jesus talked to a rich man he would not necessarily stress the need to reduce extremities in property distribution. Jesus teaches Nicodemus what he must do to gain eternal life, without mentioning property ownership. Indeed, the prerequisites for eternal life trump property ownership every time. The one conversation Jesus had with a rich man without mentioning property ownership cannot be used to contradict Jesus' sayings above where he does infer the necessity for widening property ownership.

We can conclude from Jesus' teaching, including his espousal and interpretation of the essence of the Mosaic Law, that he advocated diminishing excesses in property ownership, with ownership moving toward a more even distribution than existed in the society where he taught. Jesus never said that reducing extremes or wider property ownership was a good thing, but his examined teachings point in this direction. A judicious inference from them is that he was advocating a more equitable spread of private property.

This means that each family should have adequate property to support a lifestyle meeting acceptable norms (such as nutrition) applicable to the society in question. Everybody should have enough to lead lifestyles meeting these social norms. If there are extreme disparities around these norms, it is likely that some people will not be able to attain acceptable social standards.

In this sense, such a situation contradicts Jesus' teaching and the Mosaic Law. Pushing upwards those low on the property ladder is one way in which property distribution can be

<sup>32</sup> Hendriksen, *Gospel*, 861.

<sup>33</sup> Johnson, *The Gospel*, 292.

come more extensive, inclusive and expansive. A reasonable implication is that this is to be a guideline for our societies. Wide, widespread, fair share, equitable, adequate norms etc have no absolute meaning. Like measures of the rich and the poor, they can be assessed via value judgments only in relation to norms prevailing in societies of the time.

### III Widening Property Ownership

#### 1. Private property

A pre-requisite to examining ways of widening private property ownership is to assess how it is presently distributed. In the US, the largest exemplar of functioning capitalist, private ownership society, some forms of private property ownership are widespread. For example, ownership of consumer durables is extensive. Richards points out that around three-quarters of officially-classified poor households have air conditioning, and a car. 97% have colour television, 78% a VCR or DVD player, while 62% have cable or satellite TV.<sup>34</sup> Of course, these figures take no account of differences in quality between the items. If those low on the property ladder drive old cars, they require more maintenance and may be less safe than new cars.

In all probability, these high rates of consumer durable ownership have been assisted by high credit card use. That the average US household credit card debt was \$15,216 in 2013 does

not leave much leeway for using credit cards to tide over household emergencies. We are not casting a judgment on whether individuals should have incurred such high levels of consumer debt. To meet household emergencies, ownership of more substantial and tangible assets is required. Their spread is restricted. One estimate is that 44% of American households lack sufficient assets to provide for three months living at a basic level if they became unemployed, or experience a severe illness or other crisis forcing them to give up work.<sup>35</sup>

Another measure of property ownership is marketable wealth or net worth, defined as the gross value of owner-occupied housing, plus other investments owned by the household, such as the cash surrender value of insurance and pension plans, minus mortgage and consumer debt, including car loans, and other debt. In 2007, 27% of households had net worth of zero, negative or less than \$5,000. Indeed, the 60% of households with least net worth in 2007 owned only 4.2% of the total. Conversely, the richest 20% of households owned 85% of net worth.<sup>36</sup>

Stocks and shares are one component of net worth. Although half of US households own some forms of stocks directly or indirectly, they are also re-

<sup>35</sup> Jennifer Brooks and Kasey Wiedrich, *Assets and Opportunity Scorecard* (Washington DC: Corporation for Enterprise Development, 2013).

<sup>36</sup> Edward Wolff, 'Recent Trends in Household Wealth in the United States: Rising Debt and the Middle-Class Squeeze — an Update to 2007', *Working Paper No. 589* (Annandale-on-Hudson, NY: Levy Economics Institute, March 2010), 43, 44.

<sup>34</sup> Jay Richards, *Money, Greed and God* (New York: Harper One, 2009), 87.

stricted in ownership. Wolff estimates for 2007 that the richest 10% of households owned 81% of the total value of stocks and shares held directly, and indirectly through mutual funds, trusts, and pension accounts. The remaining 90% of households owned 19% of the value of these assets.<sup>37</sup> As might be anticipated, African-Americans and Hispanics fared appreciably worse on all these indicators. These extreme disparities do not tally well with the requirements God and Jesus have for a wide or extensive distribution of property. Aside from consumer durables (disregarding quality), a severe imbalance characterizes property ownership.

## 2. Housing

How can those low on the property ladder be assisted upwards without losing the initiative to take care of themselves? Various projects exist in this direction. One exercise in which Christians are involved in the US is to increase the home ownership rate from its present overall 65% level, or 46% for those officially classed as poor households.<sup>38</sup> Some critics think these are not sensible undertakings for they inhibit people's labour mobility. On the other hand, people may prefer locational stability as long as they can get work. How Christians are helping achieve both home and work security via widening property ownership is canvassed below. The main source of information on these enterprises is their Ts, given that most have not been described in the academic literature.

An important Christian undertaking in the housing direction is Habitat for Humanity, perhaps better known for its international mission. According to its website, Habitat has assisted over 30,000 US families since 1978, constructing houses on a sweat-equity basis for low property ownership people.<sup>39</sup> Another valuable Christian-initiated housing program is run by the Nehemiah Corporation, originally funded by a Baptist church in Sacramento, that since 1994 has assisted 375,000 low to moderate income families into home ownership by renovating/building housing for lower income people, and by providing gifted-down payment funds.

Other examples are Esperanza USA, and the St Joseph's Carpenter Society (SJCS), concentrating activities around Camden, NJ. SCJS's website explains that it 'redevelops abandoned properties and sells new or rehabilitated houses to community residents, who are often looking to transition from renting to owning'.<sup>40</sup> These are also the aims of the broader church coalition, Camden Churches Organized for People, in which SJCS is involved. More indirect is the work of Christian Church Homes, providing owner-occupied housing for low income seniors.

All these housing initiatives fall within the advocacy gambit of the Christian organization, Housing Justice, and they also conform to HUD's Center for Faith-Based and Neighborhood Partnerships, although the latter is more about advice and information

<sup>37</sup> Wolff, 'Recent', 20.

<sup>38</sup> Richards, *Money*, 87.

<sup>39</sup> [www.habitat.org](http://www.habitat.org) Accessed 14 Oct 2014.

<sup>40</sup> [www.sjcscamden.org](http://www.sjcscamden.org) Accessed 12 July 2014.

provision. One quality they all have in common is to prevent their homeowners from overextending themselves beyond what is economically feasible for their clientele.

Some Christian exercises in these directions, like those of the Nehemiah Corporation, are part of their broader strategies. Their initiatives to widen property ownership extend further than just increasing low income housing supply and accessibility. One example is the Abyssinian Development Corporation (ADC), started by the Abyssinian Baptist Church in Harlem, whose strategy is to prevent the displacement of Harlem residents. Since its founding in 1989, the organization has leveraged more than \$600 million in investments. It was one of the first community development corporations to help develop a retail supermarket in a community that lacked adequate access to healthy food. This is another by-product from widening property ownership in Harlem.

Another Christian-founded Community Development Corporation (CDC) is the New Community Corporation (NCC), Newark, NJ, started in 1968, and instigated by a local Catholic priest.<sup>41</sup> It was born out of the civil unrest that spread through inner cities like Newark during the late 1960s. On its website, a range of programs is listed, including a transitional housing facility for the homeless, provided with on-site support services like child care, job search and workshops.

NCC also owns and manages more than 2,000 units of housing for seniors

and families in Newark, Orange and Jersey City, ranging from high-rises for the elderly to family townhouses. It owns a shopping centre, anchored by a major supermarket, aiming at building a local economic base and keeping jobs and profits in the community. New Community's Federal Credit Union specializes in serving low-income wage earners, recent immigrants and people with disabilities, without the fees charged by mainstream banking institutions. Its School of Practical Nursing, and Automotive Training Program provide job placement assistance on graduation.

A final example of a Christian-based CDC is Bethel New Life, Chicago, IL. It began in 1979 as a housing ministry of Bethel Lutheran Church to rebuild neighbourhoods left in ruins during the riots of the 1960s. Bethel has constructed nearly 1,000 units of housing, placed more than 7,000 residents in living wage jobs, and generated more than \$110 million in investments for Chicago's Westside. These four examples of Christian-instigated CDCs are among over 4,600 non-profit CDCs in the US, providing over 86,000 units of affordable housing yearly.<sup>42</sup>

Another form of organization in which Christians are involved to increase property ownership for those low on the ladder is the Community Land Trust (CLT). CLTs buy and hold land permanently, removing it from the real estate market, and preventing market influences from causing prices to rise. CLTs build and sell affordable houses to people with limited

<sup>41</sup> <http://www.newcommunity.org> Accessed 5 April 2014.

<sup>42</sup> [www.community-wealth.org](http://www.community-wealth.org) Accessed 4 April 2014.

incomes. Currently with over 250 US CLTs organized into a National Community Land Trust Network, they keep home prices affordable by separating the price of the house from the cost of the land.

A Christian-based example is the Community Land Cooperative of Cincinnati, founded in 1981 by an ecumenical alliance of churches and ministries to prevent the displacement of low income, African-Americans from their neighbourhood. The Cincinnati coop receives no government funding. A newer Christian example is Share CLT, a program of Upper Valley MEND, Washington, started in 1998. Its aim is to provide affordable housing for people who would otherwise be unable to live and contribute to the community where they work, such as school teachers, nurses, mill, forestry, and orchard workers, and motel and restaurant workers.

The important work underway by non-Christian organizations to assist low income people into owner-occupied housing requires mention. Examples are Pioneer Human Services, while another is Enterprise Community Partners that supports over 1200 community-based non-profits to improve access to housing for low income people. Its assistance via equity, grants and loans has helped build or preserve 300,000 affordable rental and for-sale homes in the US.

The Local Initiatives Support Corporation (LISC) is another important project, that since 1980 has been responsible for the creation of 303,500 affordable homes and apartments, plus its affiliates, like the National Equity Fund. Financial support is derived both from private benefactors, and the fed-

eral government's Low Income Housing Tax Credit, and the New Markets Tax Credit.

### 3. Small-scale employment

Effort to increase access to owner-occupied housing and enhance the human capital skills of those low on the property ladder—both widening property ownership—is a well-canvassed area in which Christians play a valuable role. Less well-known are exercises in which Christians participate to increase ownership in the sphere of employment. At first glance, this might seem to have little to do with property ownership, but the argument below is otherwise.

One way in which Christians are doing this currently is through Intentional Christian Communities (ICCs), of which hundreds exist in the US. These bridge the gap between home ownership or residential domicile, and employment/work activity. They are usually small and rural, some affiliated with the Fellowship for Intentional Community. Work is often with collectively-owned property, and a communal home and work-style is practised. They are not, therefore, unambiguous contributors to extending private property ownership.

Outside ICCs, workers are not usually owners or part-owners of the property with which they work, human capital aside. Because of this, most workers do not own their jobs. Nevertheless, Christians have been involved in encouraging types of jobs in which workers do own their jobs, and therefore the property with which they work. These include self-employment, partnerships, very small business, and



even larger firms of a non-joint stock company or corporation-type, such as employee share ownership plans (ES-OPS), and worker cooperatives.

Partnerships, for example, can range in size up to thousands of partners, with around 3 million US firms returning a partnership tax return. These types of employment organization are amenable to increase, for only around half of American workers work in large corporations with more than 500 employees, with 99 percent of all firms employing fewer than 500 people.

According to the website of the US Small Business Administration (SBA), small businesses (fewer than 500 employees) provide 55% of all jobs currently, and 66% of all net new jobs since the 1970s. Indeed, while corporate America has been 'downsizing', the rate of small business 'start-ups' has grown, and the rate of small business failures has declined. In 2009, 1 in 9 US workers was either incorporated or unincorporated self-employed.<sup>43</sup>

Self-employment, therefore, currently plays an important role in employment provision, perhaps accounting for around 11% of the US labour force, a proportion that has remained steady since 1990. Self-employment is everywhere, from carpenters, carpet layers, and painters, to household goods repair/maintenance, and beauty salons, to doctors, dentists, and lawyers. Most of these have few employees. 80% of the unincorporated self-employed, for example, have from 1 to 4 employees, and the typical number of employees is declining.<sup>44</sup>

Not many US Christian initiatives exist to foster property ownership via self-employment. Opportunity Fund is a Christian non-profit, lending micro-credit to small businesses in California, especially to women. Loans of \$280m have been made since 1995, to a wider need than just micro-enterprise. According to its website:<sup>45</sup>

California is home to more than 3.4 million small businesses—employing half of the state's private sector workers. But 45% of small businesses fail because they are unable to get the loan they need. Many businesses are unable to access loans from traditional financial institutions because they are too young or too small. Opportunity Fund works to expand access to financial services. Our borrowers enter the financial mainstream with microloans that build a positive credit history and provides the working capital needed to expand operations and hire or retain employees.

Lending is not necessarily the answer to small business start-up. Debt can make businesses fragile, whereas private equity like partnerships, align interests, as well as bringing in necessary business expertise. Private equity with a buyout option by the entrepreneur may align incentive better. Other Christian-instigated exercises, such as Goodwill Industries, and Esperanza Unida encourage job training, employment placement services, and programs for people with disabilities, lack

United States', *Monthly Labor Review* Sept 2010, 17-32.

<sup>45</sup> <http://www.opportunityfund.org/learn/microloans/> accessed 14 April 2015.

<sup>43</sup> [www.sba.gov](http://www.sba.gov) Accessed 3 Feb 2014.

<sup>44</sup> Steve Hipple, 'Self-employment in the



of education or job experience, or who face employment challenges.

Esperanza, for example, free of charge trains mechanics, forklift operators and welders, making use of donated materials, such as cars, in Milwaukee, Wisconsin. Indirectly, these activities foster greater property ownership by those who participate in the programs, even though they are not confined to placing people in the job types above.

Again, non-Christian efforts to help those low on the employment property ownership ladder require mention. One that does focus on encouraging self-employment and micro-firms is the non-profit Accion U.S. Network that has made over 46,000 loans totalling over \$360 million since its inception in 1994, according to its website.<sup>46</sup> These loans have helped numerous entrepreneurs, from restaurateurs to brewers to soap makers. According to Accion, there are 10.8 million US small business owners who cannot obtain capital to grow their businesses. Although the SBA reports that 30% of companies collapse within two years, all of Accion USA's businesses older than two years are thriving.

Other micro-credit lenders play a part in extending employment property ownership in the US, such as Project Enterprise, Justine Petersen Housing, Women's Initiative for Self-Employment, Business Center for New Americans, ACE, Grameen America, Roberts Enterprise Development Fund, and Capital Good Fund, with about half of their loans going to business start-ups. Other social entrepreneurship firms,

like Pioneer Human Services, and Chrysalis, provide low-income people with transitional jobs, training workers in its own firms so that they can acquire skills enabling them to seek outside jobs.

By the work of these organizations, more people are assisted into private employment property ownership than would occur without the schemes. Although the aforementioned exercises use favourable government supports, this is probably not the major reason for the success of the employment ventures. The schemes, instead, conform more to a biblical guideline advocating voluntary redistribution, by which the rich engage in philanthropic giving.

This is not necessarily the answer to increasing property ownership for those low on the scale, however, for charity (and welfare) can be toxic.<sup>47</sup> It may do little to encourage the poor into employment or entrepreneurial effort, by which property ownership patterns stand a chance of being widened. However, charity could be directed more in these ways. Just assisting the poor into jobs as employees may not make much of a dent in patterns of private property ownership. Their wages are likely to be so low that they may not be able to afford property.

More effective would be greater encouragement to forms of business in which recipients of aid retain ownership of assets to facilitate their own employment. In this matter, rich Christians could play an important role. Among the richest 1% of households who own 43% of non-home worth,

<sup>46</sup> [www.accion.org](http://www.accion.org) Accessed 18 April 2013.

<sup>47</sup> Robert Lupton, *Toxic Charity* (New York: Harper Collins, 2011).

Wolff reports that 74% owned their own businesses.<sup>48</sup> Christians among this group would be well placed to generate employee-owned businesses.

#### 4. Larger-scale employment

The firm types above assisted by Christians and non-Christians have been mainly at the small end of the employment structure spectrum. Is it possible for Christians to envisage assisting the formation of larger size firm types in which employees own the capital with which they work? The US example of Employee Share Ownership Plans (ESOPs) suggests the opportunity. The website of the US National Center for Employee Ownership estimates that 36% of the work force, or 28 million workers, own stock in the companies in which they work, although only 40% of ESOPs own 100% of the company.<sup>49</sup>

That ESOPs contribute to widening property ownership is shown in that ESOP participants have about three times the retirement assets of comparable employees in non-ESOP companies. Partly, this is because workers acquire stock in their company from company contributions, and rarely from their own purchases. One stimulus contributing to the formation of employee-owned firms has been where owners sell their businesses to their employees, say because they want to retire and cannot entice a family member to take over the business.<sup>50</sup>

This occurs mainly in the direction of ESOPs than other types of employee-owned firms. Partly, this is because tax advantages have been created for owners wishing to sell their businesses to employees as ESOPs.

Another employee-owned firm type is the worker cooperative, favoured by a range of Christians on the political spectrum, including the present Tory Prime Minister of Great Britain, David Cameron, but extending back to Christians like Pope John Paul II, G. K. Chesterton and Hilaire Belloc. Here workers invest their own savings or borrowed property into a business enterprise in collaboration with fellow workers. Unlike the corporation, those who work in the co-op are owners, managers, and workers. This state of affairs approaches more the self-employment/partnership ethos than the corporation for 'when an individual truly owns a particular item... then that person has an incentive to treat the item well and to manage it effectively'. This situation 'empower[s] individuals to act responsibly with resources'.<sup>51</sup>

Worker cooperatives are not numerous, with the US Federation of Worker Cooperatives' website estimating 100 co-ops, over 3,500 worker-owners, and \$400 million annual revenues.<sup>52</sup> Thirty of these co-ops trade as the San Francisco Bay Area Network, such as the Arizmendi Bakeries with their own organizational connection, employing around 15 worker-owners per store. Another example of a US worker co-op

48 Wolff, 'Recent,' 18.

49 [www.nceo.org](http://www.nceo.org) Accessed 11 May 2014.

50 Gar Alperovitz, *What Then Must We Do?* (White River Junction, VT: Chelsea Green Publishing, 2013), 41-44.

51 Austin Hill and Scott Rae, *The Virtues of Capitalism* (Chicago: Northfield Publishing, 2010), 112.

52 [www.usworker.coop](http://www.usworker.coop) Accessed 11 May 2014.

is the Union Cab of Madison Cooperative, Wisconsin, operating since 1979, with over two hundred worker-owners.

The potential for institutional encouragement of worker cooperatives is illustrated by the Ohio Employment Ownership Centre at Kent State University. Since its inception in 2009, the Centre has facilitated the creation of three co-ops, including the Evergreen Cooperative Laundry, specializing in health care laundering. There is no incontrovertible evidence that employee owned and managed firms function less efficiently than conventional capital managed firms.<sup>53</sup> One area where their applicability could be extended is where governments decide to privatize formerly government-administered services, such as recreation centres, schools and universities.

However, barriers do exist against the formation of worker cooperatives. Workers may be reluctant to invest their savings in a business, although being made redundant can change this motivation. Most households own few assets, and may not be prepared to invest their meagre savings in a business. The bottom 40% of US households on average owned only \$2,200 net worth in 2007. If housing is excluded from

the calculation to yield non-home wealth, the average of the 40% bottom was a negative \$10,500—this is by how much they were in debt.<sup>54</sup> Nothing is available to invest in a business. On the other hand, cooperatives are more likely to be formed and function well where an institutional umbrella organization oversees their operation (including bringing interested workers together), and where an historical tradition favours their ethos.

Outside the US, Christians have been, and are, involved in the creation and operation of worker cooperatives. Historically, the Roman Catholic Church has played a leading role in this enterprise. Most well-known is the work of the Catholic priest, Father Jose Arizmendi, who from 1943-1976 was the pivotal figure in the development of the now-thriving Mondragon network of 132 worker cooperatives in Spain. In the northern province of Italy, Emilia-Romagna, 8,000 worker cooperatives exist, started by a mixture of Catholic and socialist supporters who now cooperate readily.

In Italy overall, 43,000 cooperative businesses operate, employing over 1 million people, with the Catholic Church assisting their creation since the 1880s through its own federation of coops, Confcocop, a recent development fostered by both Catholics and socialists, has been the formation of social cooperatives, in which physically and mentally disadvantaged people work with the able-bodied.

Christian and non-Christian provision of housing for those down the property ladder in the US encompass-

<sup>53</sup> Gregory Dow, *Governing the Firm: Workers' Control in Theory and Practice* (Cambridge, UK: Cambridge University Press, 2003); Georgeanne Artz and Younjun Kim, 'Business Ownership by Workers: Are Worker Cooperatives a Viable Option?' unpublished paper, Department of Economics, Iowa State University, April 2011; Saioa Arando, Monica Gago, Derek Jones, and Takao Kato, 'Efficiency in Employee-Owned Enterprises: an Econometric Case Study of Mondragon', Institute for the Study of Labor, Bonn, Discussion Paper, May 16, 2011.

<sup>54</sup> Wolff, 'Recent', 46.

es, in part, the renovation of deserted buildings, that may be provided at low cost by owners or municipal authorities. Analogous undertakings are underway affecting failing businesses, and deserted, bankrupt factories in Italy, Latin America, and Greece in which worker cooperatives are formed by redundant workers who formerly worked in the factories. An example of this process is in Argentina, known as the recovered factory movement. Estimates of these occupations of bankrupt factories range up to 250 coops with 15,000 workers, out of a total of 8,000 worker cooperatives in Argentina.

These small and larger employment-based examples have had the effect of increasing private property ownership for those low on the scale. For fostering greater property ownership among these strata, the corporation or joint stock company is probably not as effective a vehicle as the firm types specified above. Corporations are not as amenable to adjustment inside their employment structures to increase property ownership. In corporations, stock options or profit-sharing plans may not be realistic routes to increasing property ownership for those owning little property. Where they work in corporations, these workers are usually at the low end of the wage spectrum, to which stock options rarely apply, and for which profit-shares may be modest.

However, forms of 'shared capitalism' in total play an important role in the US economy, partly studied by the US National Bureau of Economic Research, finding between one-third and one-half workers so engaged. Although corporations provide most jobs, wealth generated by the company probably flows more to those at the higher

end of the ownership spectrum than to those at the lower.

In another way, corporations act to consolidate the relative greater accumulation of wealth by those high on the property ladder. High wealth people are in a much better position to buy shares than are those on the low side. Accordingly, as noted above, they own the preponderant share of the value of shares and stocks. This is so even though half of US households owned stock in 2007. The imbalance in property ownership is thereby consolidated, restricted ownership is maintained.<sup>55</sup>

## IV Conclusion

A normative biblical guideline has been deduced here—that wide private property ownership is necessary within society concomitant with a reduction in extreme disparities. This was derived by examining aspects of Jesus' teachings, even though his or biblical reasons for its necessity were not explored. It is interesting to note recent secular studies that advocate wider property ownership than occurs currently in the US.

For example, Wilkinson and Pickett show that greater disparity in income (a surrogate for property ownership) within twenty-three developed nations correlates with greater social ill-health. Stiglitz argues that high disparity makes for a less efficient and productive economy, and undermines

<sup>55</sup> The relation of the corporation to biblical thought is dealt with in Clive Beed and Cara Beed, 'A Christian Perspective on the Joint Stock Company', *Journal of Markets and Morality* 13, 1 (2010), 101-122.

democratic political processes.<sup>56</sup> Unlike these studies, this paper has suggested that private initiative plays an important part in encouraging private ownership, even though government may be required to provide the institutional framework for this to happen.

Ways were reviewed by which Christians could promote change inside the US more completely to attain the biblical guideline explored. Some of these changes are already underway, involving both Christians and non-Christians. The examples cited of all these processes described have depended on private initiative for their inception and

operation, even though government provides the institutional framework for their development—the elders at the gate, as it were.

In our times, the rule of law is essential to allow Christian and non-Christian ventures into promoting private property ownership. As private property ownership broadens, it is likely that democratic processes will extend. Analogously, all the residents of Israel were to be involved in interpreting and practising the Mosaic Law. To the extent that democratic procedures are facilitated by private property ownership, this notion fits with the biblical guideline scrutinized here. The more people have sufficient private property, the more they are able to exercise their democratic rights. This paper has discussed how this end might be achieved more readily than it is in the sphere of home ownership and of employment.

<sup>56</sup> Richard Wilkinson and Kate Pickett, *The Spirit Level: Why More Equal Societies Almost Always Do Better* (London: Allen Lane, 2009); Joseph Stiglitz, *The Price of Inequality* (New York: W. W. Norton, 2012).

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