

# Progressive Calvinism

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## Contents

	Page
Fan Mail; Critical Mail; Doctrinal Mail	194
A "Sin" Which Is Beneficial	195
A Businessman's Praise Of Selfishness	197
TIME Magazine On "Wage Incentives," A Remuneration System Based On Selfishness	198
Is The Science Of Economics A Science About Sin?	199
Nietzsche Versus Progressive Calvinism Versus The Social Gospel	201
How Protect Liberty? By Men? By Law? By Super-Law?	204
What Gold Is To Money, The Law Of God Is To Liberty	209
Does Modern Calvinism Approve Of Capitalism?	210
The Slaughter Of The Pigs	219
Lester De Koster On Interventionism	220
A Smart Little Girl	224
"Law Preached Before Love"	223

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## Fan Mail; Critical Mail; Doctrinal Mail

### I

Some of our mail is fan mail; some is critical; some is abusive. The mail that surprises us is mail which is neither complimentary nor critical, but which reveals the correspondent's ethics and religion (doctrines).

Naturally, according to the "lights" of these correspondents, they are confident that they outline the true religion. In some instances we agree with them, but in others we do not.

### II

We have concluded that the "general character" of these doctrinal letters with which we disagree is their "idealism." Our correspondents aim too high in their religion. They hold to a doctrine that not only is impossible for a "fallen" man to attempt, but also is a nonsensical and impossible doctrine for a perfect or "nonfallen" man to try. Religion is being set so high that it collides with common sense and sincerity.

As "men of the world" conducting our lives largely outside of isolated Christian communities we are constrained to believe that religion damages its cause by setting super-attainable goals.

### III

The general character of these super-attainable goals centers around the idea of *unselfishness*. Men, some of our correspondents write, must be *unselfish* and live *unselfishly*. Selfishness is SIN.

The acts of *selfishness* referred to are not sins against the commandments of God in the Mosaic decalogue; instead, although the term is never carefully defined, the content shows that *selfishness* means that each man must surrender "his own values" in practical affairs (especially economic matters), and substitute therefore (1) what he *thinks* others wish from him; or (2) what others coerce violently out of him; or (3) what others coerce out of him by passing restrictive laws. In every case, the proposition is that one man's judgment should *bow* to another man's judgment; then and only then is a man *unselfish*.

Obviously, this involves several practical questions. For one, the idea destroys the very basis of personal *liberty*. (Is liberty of no value?) Secondly, it will result in either chaos or tyranny — chaos, when others disagree among themselves what they wish from us; and tyranny, when they band together and select a "mass value" which they impose on us.

Idealistic religion thus becomes the basis for a devastating attack on liberty.

We feel constrained, therefore, to put in a defense for *selfishness* correctly and univocally defined, as against selfishness defined over-piously as we have just outlined.

#### IV

We believe this question is of prime importance for ministers and moralists. The profession of being a minister is, if our observation is correct, steadily declining in prestige. On formal and public occasions ministers are still recognized semi-respectfully, but at heart most of the men we know hold preachers in contempt. Preachers are considered to be impractical, insincere and even genuinely hypocritical. Preachers have part of this reaction coming to them legitimately; we refer to that part where *selfishness*, when meaning nothing more nor less than legitimate liberty, is condemned by them as a sin.

One way (certainly not the only way) to restore religion to a place of honor is to get the piosity and sanctimony out of the message and replace it with wholesome Biblical realism. When that is done people will talk about sinning *against the Law of God* rather than sinning by *selfishness*. There is a great difference between sins defined by the Law of Moses and the sin of selfishness as defined by the social gospel.

fn

## A "Sin" Which Is Beneficial

Some 18 or 20 years ago a corporation, which we shall call Corporation A, explored with the writer the idea of analyzing their welding equipment business. Nothing came of it.

The problem was an interesting one. A competitor of Corporation *A* was the Lincoln Electric Company of Cleveland. We were told by the executives of Corporation *A* that the prices charged by the Lincoln Electric Company for its product were so low that Corporation *A* could not sell at those prices and make any money. In other words, the Lincoln Electric Company was horrible "cut-throat" competition.

We next heard of the Lincoln Electric Company during World War II when they were in trouble with the government of the United States. The government had put in "wage ceilings." These wage ceilings were being violated, the government declared, by the Lincoln Electric Company incentive system, under which employees were earning as much as \$8,000 or more a year, which was high for those times and which the government considered excessive. The Company fought to keep its incentive system in effect. It declared that the *productivity of the employees* justified the high wage, and that the high wage was a creative incentive to the employees.

We recalled the previous information we had obtained about the Lincoln Electric Company, namely, the low prices of its products. And here it was paying very high wages. How reconcile (1) high wages to employees with (2) low selling prices?

Obviously there was one plausible answer, namely, extraordinarily high productivity per employee. If the output per man was high, the wages could be high and nevertheless the prices of the products could be low.

Interestingly, Corporation *B* (another competitor of Lincoln Electric Company), for which we did some work *after* World War II, also discussed with us its problems in competing with the Lincoln Electric Company. Corporation *B* was being "outsold" by Lincoln Electric. It knew that the remuneration structure of Lincoln Electric was far higher than its own. It knew that the explanation was largely the productivity of the Lincoln Electric employees. But they could not believe that the productivity of the Lincoln Electric employees alone could explain three things — the low prices, the high wages, and the high profits of Lincoln Electric.

For that productivity to explain those three conditions seemed fantastic to the executives of Corporation B. The contrast was too great with their own prices, wages and losses.

Could it be that there was some iniquity involved in this Lincoln Electric situation? We were given a clue to the solution from some material in a university textbook which quotes from a Lincoln Electric publication. We discovered that the favorable prices which Lincoln Electric gives its customers, and the high wages which it pays, and the large profits which it makes stem from selfishness. fn

## **A Businessman's Praise Of Selfishness**

On page 1 of a book put out by J. F. Lincoln, president of the Lincoln Electric Company, entitled *Intelligent Selfishness and Manufacturing*, the following paragraphs appear:

Great as American industry is, it leaves largely untapped its greatest resource, the productive power, initiative and intelligence latent in every person. The prophet states it — "Thou madest him to have dominion over the works of thy hand." That conception is a far cry from the normal evaluation of man by his contemporaries. Truly man is so made but our industrial system does not now fully develop these abilities.

There have been many who have guessed what the result would be if a large, intelligently led, enthusiastic organization should use the powers latent in all the individuals to a common end. What would happen when all are equally anxious to produce a product at the lowest possible cost? What would happen when all want to make the wages of all workers, from sweeper to manager, a maximum? What would happen when all want to make the company profitable since it is largely owned by the workers in it?

This cannot be done by human beings except by the exploitation of the driving force fundamental in all of us, namely, selfishness. Selfishness has a bad reputation but

that is because of a narrow conception of what it really is. No program involving the human race developed as it has been through the ages on the concept of the "survival of the fittest" can be founded on any other principle than selfishness. The only necessary corollary to this principle to make it attractive, helpful and satisfying to all concerned is to make this selfishness intelligent. The greatest heights we attain as humans — patriotism, parenthood and friendship, are all based on this same human trait — selfishness.

Here is a businessman who declares that selfishness stimulates people to be more active and to accomplish much. The companion idea is that if people do not work *for themselves*, their own interests or their own values, they will not accomplish much. *Selfishness* from this view is clearly a great blessing to the individual and society.

J. F. Lincoln distinguishes between intelligent and unintelligent selfishness. We would say "scriptural selfishness" versus "unscriptural selfishness." Unscriptural selfishness is the pursuit of personal subjective values, at the expense of the neighbor *by violating the commandments of God.* fn

## TIME Magazine On "Wage Incentives," A Remuneration System Based On Selfishness

The following is taken from *Time*, Volume XXXIX, June 8, 1942, pages 82ff.

### WAGE INCENTIVES

A \$4,100-a-year foreman got \$25,000 extra; an \$8,000 superintendent got \$50,000; a \$6,600 vice-president got \$50,000 too. All told, \$2,071,315 was passed out in bonuses last year — nearly 10% of gross sales, and about 80% of net profits.

But when the House Naval Affairs Committee finally got the whole story of the Lincoln Electric Co.'s bonus system last week, it looked like something else

again. It was, in fact, the story of an eight-year-old wage and production policy established by a Cleveland electrical engineer with a mania for incentive pay. James Finney Lincoln is the biggest maker of electrodes and welding equipment in the U.S., and he likes to intone that "the labor cost of any product can be reduced to zero" through inciting workers to make continuous improvements in production method and design.

Since 1934, Lincoln Electric's own operations have been a case history of James F. Lincoln's pet theory. With sales ballooning from \$4,273,000 to \$24,189,000, and profits rising more slowly from \$1,403,000 to \$2,583,000, he raised his incentive bonus payments from 10% of net to 80%. This system is worked in conjunction with low base pay compared with going rates for the trade, so as to permit the company — in James Lincoln's words — to "skate through a tough period without going broke." Nevertheless the average worker's total pay has gone from \$1,996 to \$4,879 in the past decade, while the productivity per man has gone from \$6,107 to \$25,025. And a Lincoln welding electrode that sold for 16c a lb. in 1929 now sells for 4.8c per lb.

Ninety per cent of Lincoln's whopping bonuses go to the men behind the machines; to make them still more profit-conscious, they have been permitted to buy 30% of the company's stock. fn

## **Is The Science Of Economics A Science About Sin?**

If selfishness is sin, then the science of economics is a science concerning itself with sin, because economics deals with selfishness.

Of course, the specific meaning of selfishness is important. As used in the foregoing paragraph selfishness is used in the sense that it is used by the advocates of the social gospel, namely, the free pursuit of your *personal subjective values*, usually directed toward your own self-regarding interests.

There are two other possibilities regarding motivations according to which you might or do act, namely, (1) you might act according to the conflicting *subjective values* of a billion *other people* (which would be chaos and drive you insane), or (2) you might act according to the contrary *subjective values* of the *mass* of other men collectively or dominated by a dictator. As the first alternative is not possible, the second is the only real alternative to your own personal subjective values.

That means, obviously, that you are voting either for liberty or nonliberty; liberty, if you are permitted and do pursue your own subjective values; and nonliberty if you are required by force or by a false religious doctrine, to submit to the subjective values of others expressed through a dictator, or a mass of men operating through their elected representatives.

Clearly, considering those alternatives, a man — when he is thinking through his personal system of ethics (his relations of men to men), that is, when he decides either that selfishness is sin or is nonsin, — is either against liberty or for liberty.

A fundamental idea of the social gospel is *agape*, unmotivated love. This *agape* idea has, as an inescapable corollary, that there should be no *discrimination*. To discriminate is to be motivated. The self must be forgotten; all men should be treated without discrimination. To discriminate is, according to the ideas of the social gossellers, really to engage in a double sin; (1) you have followed your own subjective values; and (2) you have not evaluated all others unmotivatedly, that is, equally. To be unmotivated requires that a man make an egalitarian approach to problems, which means an equalizing, leveling approach.

It is important to note one significant fact. The social gossellers do not use the foregoing definition *only* when they refer to selfishness. Selfishness, for them, has two definitions. Their first definition is the positive sins against the Ten Commandments. They first establish selfishness to be sin by referring to the commandments of God. Then they shift to selfishness meaning merely the pursuit of personal subjective values. They sail under two flags. Like a pirate ship, centuries ago bearing down on a hapless Dutch merchant ship, it flies a Dutch flag until the merchantman is within firing range. Then the Dutch flag is hauled down,



and a pirate flag is run up. Similarly, the social gospel sails under the flag of the Ten Commandments until it gets down to cases, and then it pulls down the Ten Commandment flag and runs up the selfishness flag, the agape flag (unmotivated love), the non-discrimination flag.

Paul J. Tillich, who recently was invited to speak at Calvin College and Seminary, is a social gospeller, and one-time leader of the New Socialists (I think that was the name) in Germany. Tillich, when in Europe, wrote a book or article that language should "grow," that is, that words should grow in meanings. There is no question that words have changed their meanings in the social gospel. There is nothing new in this. Marx, Lenin, Stalin, and Hitler, all holding to the same basic ideas, deliberately worked at changing the meaning of words. What Tillich was recommending was for words to operate as pirate ships — begin with one flag but let it change; Scripture should not mean the same thing to the successive generations; the meanings of words should "grow"; of course, they should "grow" in the direction of the social gospel.

Ludwig von Mises, the famous economist, wrote an article against Tillich's theory of words "growing" in meaning. Von Mises wishes words to mean some specific, definite, fixed thing. Only then are words good tools for thought. That idea is reported to have incensed Tillich.

PROGRESSIVE CALVINISM belongs to the Von Misesian school of thought. For us, words must have definite, fixed, agreed-upon meanings. For us, selfishness should not "grow" and mean first a violation of the Ten Commandments, and secondly a denial of the legitimacy of the pursuit of personal, subjective values. fn

## **Nietzsche Versus Progressive Calvinism Versus The Social Gospel**

PROGRESSIVE CALVINISM's ideas are different from Friedrich Nietzsche's ideas on the one hand and the social gospel's on the other. PROGRESSIVE CALVINISM's position is that of the Hebrew-Christian Scriptures, historically and traditionally interpreted. The three positions are as follows:

1. *The traditional Hebrew-Christian Position:* A man has liberty to pursue his own personal, subjective values; do what he wants to do himself. This pursuit of his own values, which may mean he is working for his own interests or the interests of others — but nevertheless he is working for *his own* values — can be called and often is called *selfishness* and is by the use of the term condemned. What people mean is that you should not pursue your own, personal, subjective values but you should pursue the values of others. That is an error. Scripture authorizes selfishness. However, there is a qualification to it which is important, namely, you may not, while pursuing your own personal subjective values, do that at the expense of your neighbor by violence, adultery, theft, fraud, covetousness. Furthermore, you must be forbearing and forgiving; and you must show charity; and you must proclaim the gospel. That is all any man really *owes* to another man.

2. *Nietzsche Position:* Nietzsche agreed with Scripture that a man is entitled to pursue his own, personal, subjective values. But what he did not agree to was that there was a restraint on that pursuit, namely, no harm or ill will or neglect of the neighbor. Nietzsche declared that violence, fraud, exploitation of the neighbor were right and proper. Consider what he wrote in his *Beyond Good and Evil* (The Modern Library edition, pages 199-200):

To refrain mutually from injury, from violence, from exploitation, and put one's will on a par with that of others; this may result in a certain rough sense in good conduct among individuals when the necessary conditions are given (namely, the actual similarity of the individuals in amount of force and degree of worth, and their co-relation within one organization). As soon, however, as one wished to take this principle more generally, and if possible even as *the fundamental principle of society*, it would immediately disclose what it really is — namely, a Will to the *denial* of life, a principle of dissolution and decay. Here one must think profoundly to the very basis and resist all sentimental weakness: life itself is *essentially* appropriation, injury, conquest of the strange and weak, suppression, severity, obtrusion of peculiar forms, incorporation, and at the least, putting it mildest, exploitation;

— but why should one for ever use precisely these words on which for ages a disparaging purpose has been stamped?

\* \* \*

“Exploitation” does not belong to a depraved, or imperfect and primitive society: it belongs to the *nature* of the living being as a primary organic function; it is a consequence of the intrinsic Will to Power, which is precisely the Will to Life. — Granting that as a theory this is a novelty — as a reality it is the *fundamental fact* of all history: let us be so far honest towards ourselves!

Whereas Nietzsche teaches selfishness *unrestrained* by the Law of God, Scripture teaches selfishness *strictly bound* by the Law of God. They are poles apart — not about selfishness but about the means of gratifying selfishness.

3. *The Social Gospel Position*: The Social Gospel denies that it is legitimate for a man to pursue his own personal, subjective values for himself. He must live for others. Then only does he love them, have *agape* toward them. Indeed, he must be prepared to have neighbors collectively impose their will on him, and do for themselves *collectively* what Nietzsche said men could do individually. The Social Gospel then teaches as the supreme ethics, as the great teaching of Scripture:

(a) That you must, according to their misinterpretation of *agape*, submit to the wishes and wills of others. Then only do you consider “the other better than self.”

(b) That Nietzsche was right that the Will to Power and exploitation should be the basis of society, but with this difference: what Nietzsche said an *individual* might do, the social gospel says the *group only* may do. This has been clearly realized by the man by far the most lucid in his social gospel thinking — Reinhold Niebuhr. He has realized that the social gospel program

can be accomplished only by an immoral society, a society which does exactly what Nietzsche said an individual should be permitted to do — namely, engage in injury, violence, exploitation. (See Reinhold Niebuhr's *Moral Man And Immoral Society*, (Charles Scribner's Sons, New York, 1952) where he teaches candidly and honestly and with intellectual clarity that an individual man must be moral, but that society will have to be immoral in order to accomplish the social gospel.)

The social gospel, as a wolf in sheep's clothing, pretending it is following the teaching of Christ who was "meek and lowly," basically claims for society what Nietzsche claimed for the individual.

The teachings of the social gospel are sanctimonious, oppressive and false; sanctimonious, because it teaches that selfishness is sin; oppressive, because it teaches that a man is not entitled legitimately to pursue his personal, subjective values; and false because (as its few, keenest exponents admit) to carry out a social gospel program a society must engage in the same practices as Nietzsche advocated. fn

## How Protect Liberty? By Men? By Law? By Super-Law?

*Selfishness*, when defined as the pursuit of legitimate personal subjective values, is another name for *liberty*. Let us consider five methods by which liberty can be protected and safeguarded.

### I

You can turn to a strong man and say: You protect me and I will work for you and pay you in services and in goods. I will be your vassal. You will be my lord. This was the system in the Middle Ages, known as feudalism.

The danger in this is that such an arrangement was an unequal one. Strength was on the side of the lord. His protection could easily deteriorate into exploitation. Kings, dukes, counts and earls have not been famous for their protection of *liberty*.

However, the vassals in the political structure of the Middle Ages greatly preferred their subordinate position to the only alter-

native. The alternative was periodic exploitation and ravishment by a *foreign* lord. The "utility" of a liege lord of your own might not be high, but it was higher than the "utility" of a marauding and invading liege lord. People in the Middle Ages did not accept the feudal system because they were stupid about its advantages or disadvantages, but because it was better than the alternative.

## II

The long relationship between liege lord and vassal resulted in a gradual formulation of mutual rights and privileges. A series of rights for vassals were finally developed. The rebellion of the Dutch against the Spaniards in the Eighty Years' War was based on the claim that their "ancient privileges" had been violated. In other words, something had been developed which was considered superior to both lord or vassal, a *super-law*, which could not properly be violated by either lord or vassal. This super-law consisted of "ancient privileges," that is, customs or contracts. The case of King John in England at Runnymede, when the Barons extorted *Magna Charta* from him, is a classical case illustrating the need for a law above the strongest.

## III

The vassals, the people, became stronger with the rise of commerce and the great commercial cities. The day of the vassal in Western Europe was really ended. Some device more effective to protect liberty was sure to be developed. This might be described as a government by the people rather than a government by the aristocracy.

A "government of the people, by the people and for the people" has some great merits. In such a structure every man is supposed to be protecting his own interests, his own liberty. Who could have a greater interest in liberty than every man for himself! Democracy is, therefore, a great device for maintaining liberty. The idea is obvious, because it relies on every man's selfish interest in liberty. Each man is more likely to protect his own liberty, than anybody else acting for him. If *A*'s liberty means to *A* what it should mean, he will fight for it at the risk of his life. But *B* is not likely to have nearly so vital an interest in *A*'s liberty as has *A*.

Surely, then, liberty should be better protected in a democracy than in any other kind of government.

#### IV

But disappointingly, democracy itself has failed to maintain liberty. Some democracies have deteriorated at a terrible pace into the vilest tyrannies; consider the French Revolution. The explanation is that although the theory is that the people are the rulers, the actual agency for rule is separated from them individually. A democratic government is as separated from the people as is an aristocratic form of government. The government operates differently than the individual wishes it to operate. If the answer is that the "majority must rule," this is as much of a threat to individuals and minorities as if there be an aristocratic government. A "majority" is not necessarily right. A majority may actually dislike a minority, or their dissent. A "people" can become as oppressive as a king. The prevailing opinion is that the "people" are usually more oppressive than a tyrant. The reason is that majorities are "power happy" which an individual tyrant cannot really afford to be.

Democracy, as such, is not a final guarantee of liberty. It is a limited guarantee.

#### V

In the same way as "ancient privileges" and customs protected vassals against their liege lords, so something must be developed by ordinary citizens against their republican or democratic government. This protection is known in modern times as a constitution, unwritten in England, or written as in the United States and in its individual states. A constitution is by definition above the government. It comes from the real earthly sovereign, namely, individual people. But everybody, including the personnel of the government, in a democracy or a republic (or a constitutional aristocracy or monarchy), are *under* the constitution. The constitution is the great protector of liberty. This has been the situation in the United States until the beginning of the twentieth century. Since then the Constitution has progressively become a lesser and lesser protection. (See John W. Burgess's *Recent Changes in American Constitutional Theory*, Columbia University Press, 1923. And then consider developments since that book was written.)

A constitution is relatively unchangeable. Many safeguards are placed around it. Amendments and changes to it usually require more than mere majorities. A government with a genuine constitution approaches in character a genuine *Rechtsstaat*.

## VI

But there is still a difficulty. The constitution itself may be defective, and fail to protect liberty. Who are the men who can draw up a perfect or even a really good constitution? Every defect of a constitution — in regard to the *content* of liberty and in regard to the *machinery* for liberty — will surely be revealed by experience in time.

Constitutions can and do fail (1) because of their original defects, (2) because they are badly administered by those in the government, or (3) because the people lose awareness of the priceless value to them of the constitution, for their liberty.

## VII

The basic question is: Is there a fundamental *constitution* anywhere that can be turned to in order to protect liberty? Is *liberty* always dependent on a gentle liege lord, or on each man for himself in a democracy or republic, or on a man-made constitution with defects? Or is there a perfect constitution available for the organization of society?

Readers of PROGRESSIVE CALVINISM will know that it has a definite answer to that question, namely, that there is, indeed, a perfect and simple constitution available for the organization of society, namely, the *Law of God*, as given to Moses, and specifically the Second Table of the Law, *correctly interpreted*. That, for us, is a supreme and perfect constitution for organizing society and protecting the liberty of the individual. Draw up a constitution which requires what the Mosaic Law requires and you have a controller of governments — a *supreme law* — which will perfectly guarantee liberty. What is the character of that supreme constitution?

1. Everything is free; every man can do as he pleases; he can pursue his self-regarding interests; he can pursue his own personal subjective values.

2. But — and here is the second integral part of a perfect constitution for society — in being free yourself, you may not pursue your freedom at the expense of your neighbor. No government may itself do something at the expense of its citizens nor permit one citizen to do to another what the Law of God prohibits. The supreme constitution is:

- (a) no violence
- (b) no adultery
- (c) no theft
- (d) no fraud or falsehood
- (e) no covetousness

No law, from our view, may be passed by any government which violates these rules. Any more detailed constitution written by men must, in our view, embody the foregoing content or substance, or it is a defective constitution.

## VIII

A government must exercise power. Power exercised by any government should be based on the *general* and *prevailing* teaching of Scripture, namely, to prohibit the doing of ill to the neighbor, as summarized in Romans 13:10, "Love worketh no ill to his neighbor; love therefore is the fulfilment of the law."

Any man-made constitution which goes beyond the Law of Moses is a defective constitution. The Law of Moses is for us the "constitution of constitutions."

The protection of liberty may be assisted (1) by good rulers, (2) by the individual self-interest of people, (3) by a government of stable laws and not a government of capricious men, (4) by a control of government through a "constitution" drawn up by men, but (5) the supreme protection of liberty is the Law of God, revealed through Moses.



## IX

We would not, however, be satisfied to declare that the super-constitution to which we refer rests *only* on the *revelation* through Moses. It is also a *rational* constitution for society. Hard thought will reveal that Moses declared rules which are inescapably sound. Consider his rule against adultery. It can be looked at as an arbitrary and oppressive rule. But it must also be a beneficent rule. Activate your mind to satisfy yourself that the rule can be bypassed or cheated. But in vain; eventually you abandon in frustration the endeavor to rationalize a contrary rule.

The Law of Moses is a universal, inescapable constitution for society and the greatest aid to liberty and happiness ever formulated.

Every premise of the ethics of the social gospel conflicts with this structure to protect liberty. The social gospel:

1. Denies the primary right of selfishness, the pursuit of your own personal, subjective values.
2. It considers a government to be sovereign, rather than the people. The state, itself, may violate the Law of God: individual men may not. Consider Reinhold Niebuhr's *Moral Man and Immoral Society*.
3. It interprets the Law of God in a fantastic manner, namely, "love" consists in self-effacement for the neighbor. fn

## What Gold Is To Money, The Law Of God Is To Liberty

There are, in a simplified sense, only two ways to regulate money, namely, a gold standard versus a managed-by-men standard. We explained that in elementary form in the June 1956 issue of PROGRESSIVE CALVINISM. Money can be given a legal form and circulation (1) so that the quantity *cannot* be increased easily; or vice versa, (2) so that the quantity *can* be increased easily.

Men have "reasoned" that a controlled quantity expandable and contractable according to the judgment of men (presumably of experts) would be a good thing, something definitely better

than an inflexible, uncontrollable currency. It sounds plausible, and so the world generally, including the United States, has "gone off" the gold standard, in the correct sense of the term.

There has been, there is, and there will continue to be a grave penalty from this erroneous policy. The dollar will continue to depreciate in value as long as the United States is off the gold standard or its equivalent. That is not a rash prediction. The history of the world for 5,000 years has shown that paper money ALWAYS depreciates. *There is not one exception to that.* The reason is that the pressure is always for more money, as if more money will solve general economic problems! Men need an incorruptible, nonincreasable monetary unit, except increasable only in relation to current prices and costs generally. Gold meets that requirement better than any other mortal being or thing.

Similarly, liberty is not safe when left to "men." A more incorruptible defense is necessary to protect liberty. That defense needs to be better than men themselves. It must be in something outside of men, something unalterable and incorruptible.

What gold is to money, the Law of God is to liberty.   fn

## Does Modern Calvinism Approve Of Capitalism?

### I

If the question is asked: Does modern Calvinism approve of capitalism, the answer might be expected to be a positive *Yes* or a positive *No*; but modern Calvinism "halts between two opinions."

Such "halting between two opinions" is surprising because genuine Calvinism is known to have been fertile ground for the growth of capitalism. Capitalism has flourished in countries predominantly Calvinistic, that is, Calvinistic in the old-fashioned sense.

Enlightening relative to the relationship of modern Calvinism to capitalism was the discussion several years ago in a public forum by three men, (1) Rev. Stanley High, an editor for *Readers' Digest*; (2) Rev. Norman Thomas, oftentimes a socialist candidate for

the presidency of the United States; and (3) Dr. W. H. Jellema, head of the philosophy department of Calvin College, Grand Rapids, Michigan, the college of the Christian Reformed church.

These three men represented the following positions:

Rev. Stanley High	Capitalism
Rev. Norman Thomas	Socialism
Dr. W. H. Jellema	?

It is not possible that Jellema represented capitalism because High represented capitalism. Thomas represented socialism. Jellema must have held the opinion that he represented something better and different from capitalism. Otherwise, he was merely a duplicate of High on the program. What is the name given to that position represented by Jellema in this celebrated public debate? Certainly, a position needs a *name*, or a *term*, to designate or signify it.

In more than 40 years in the Christian Reformed church we have never heard a *name* for the Jellema position. We would almost say: What idea can have reality if there is not a symbol or a sign, or a word to signify the idea? There is nothing unique in the position Jellema took. It is the position of most of the intellectuals in the denomination.

Modern continental Calvinism is dominated by the ideas involved in the "nameless" position taken by Jellema. In 1956 the Anti-Revolutionary Party in the Netherlands put out an official pamphlet entitled *Overheid en Economisch Leven* (Government and Economic Life). The subtitle of this 43-page pamphlet has this description: "Economic views, prepared upon request of the General Commission of the College of Advice of the Anti-Revolutionary Party." The publisher is the Anti-Revolutionaire Partij Stichting, Dr. Kuyperstraat 3, The Hague. This publication adopts in a general way the same position as Jellema adopted in the public forum.

[We did not hear the debate itself but subsequently heard Jellema's description of it. In a *general* way the position of Jellema is the same as that of the Anti-Revolutionary Party. This is

not intended to commit Jellema to every doctrine of the Anti-Revolutionary Party, nor the Anti-Revolutionary Party to all the views of Jellema. We are speaking here only of the question: What is the position of both Jellema and the Anti-Revolutionary Party on capitalism? Are they for capitalism or are they against it? Or do they equivocate — "halt between two opinions"?)]

There is no "official" position, as far as we know, in the Christian Reformed church regarding what its attitude is toward capitalism — favorable, unfavorable, or equivocal. But if speeches, sermons and writings of men who are members of the Christian Reformed church and are prominent in its intellectual life can be taken as a criteria, then the prevailing attitude in the Christian Reformed church is basically equivocal. It "halts between two opinions" on capitalism.

## II

Capitalism is based on the principle of *freedom*, especially on *free markets*.

Capitalism is held to have, according to the prevailing Calvinist opinion in the Netherlands and among many of those of Dutch descent in the United States, a fatal deficiency. Capitalism is believed to have too much of a certain principle in it, namely, *too much freedom*. Therefore Calvinists in the *modern* Dutch tradition, whether living in the Netherlands or in the United States, reject capitalism.

Consider what the Anti-Revolutionary Party pamphlet just referred to says. (This party is the political party which draws most of its membership from among the members of the *Gereformeerde Kerken* (Reformed church) in the Netherlands, which the Christian Reformed church considers a sister denomination.) On page 8 of the pamphlet there is a fairly objective description of "price formation" in free markets (*prijsvorming*). Then on page 9 one can read the qualifying (or really nullifying) criticism of "free markets" (our translation):

The aforementioned factors have resulted in the evidence that even in the preceding century the liberal principle of free markets is untenable. At numerous points

intervention [intermeddling] of the government proved to be necessary.

Here we have the basic economic proposition of modern Dutch Calvinism, to wit, the "*liberal principle of free markets is untenable*" (our italics).

This unfavorable attitude against *free markets* is relatively modern among Dutch Calvinists. It begins to be significant with Abraham Kuyper, Dutch theologian-politician who dominated much of Dutch Calvinism for 30 years prior to World War I. In this Kuyper was merely a "child of his time." He represented a trend in public opinion away from freedom and liberty and toward *Dirigisme*, that is, interventionism, and especially toward guild socialism or syndicalism.

The older Calvinists everywhere were of a basically different school. They were not afraid of free markets. They created them.

The turning point away from freedom came for Dutch Calvinists when they progressively more and more misinterpreted the French Revolution. The criticisms of the French Revolution by Groen van Prinsterer were wholly valid, but since the time of Abraham Kuyper confusion about Individualism and Collectivism has become more and more disastrous. Our *earlier* Calvinist ancestors, that is most of them before 1875, were not against a genuinely free market, as are today the members of the Anti-Revolutionary Party, *in part*. (It should be kept in mind that that party is *for* free markets and *against* free markets — that it "halts between two opinions.")

Lester De Koster in his book also repudiates capitalism. He writes in *All Ye That Labor*, pages 108 and 109:

The reason [why capitalism . . . [is not] tottering toward Revolution nor acting as if it were what Marx described it to be] is that economic laws have been modified in practice to some degree by religious and moral commands. The reason why a society ordered, as mid-nineteenth century England was ordered, solely by the

laws of economics cannot escape degeneration is because economic laws are in the last analysis dictated by relations between things and man's desire for things; and therefore other human interests and higher values often perish by the wayside.

\* \* \*

As a simple matter of fact the laws of the free economy advocated by the school of Adam Smith, and commonly called the Manchester or *laissez-faire* school, have [by State interventionism] been made subservient in the crucial instances to the recognition of human needs, human dignity and human moral responsibility to God and to man.

And later he writes (page 113):

We are thus led back to the problem of evil in human relations. Classical economics did not take evil seriously. Because it did not do so, there arose kinds of interference [big business, monopolies, etc., presumably] with the "laws" of economics which produced results which Smith did not foresee.

De Koster's idea is that the results of "laissez-faire" were bad.

And later De Koster writes (page 114):

The entrance of the state into economic life as a positive agent of the people, while always involving the threat of being carried too far, has in general so strengthened the national economy that Marxism has few to whom it can appeal today on the grounds of economic hopelessness.

These fragmentary quotations indicate the general ideas of De Koster: (1) Adam Smith's free market economy — his capitalism — permitted or caused injustice and evil; (2) however, the reason why capitalism has not collapsed, as Marx predicted, was because something new was added, namely, a "recognition of human needs, human dignity and human moral responsibility to God and man"; (3) that injection into capitalism of a better morality than it originally had was accomplished by curbing free markets and

introducing the state into economic affairs. The state has entered into economic life as a "positive agent" of "the people"; for good, of course!

*Laissez-faire* capitalism, the original kind of capitalism, is in both of the foregoing quotations rejected as indefensible. *Laissez-faire* capitalism granted too much freedom. That is considered its fatal error. If *laissez-faire* meant *free markets*, then *laissez-faire* must be rejected.

What may be the *origin* of the correction of the weakness of capitalism? And what may be the *means* to accomplish the correction?

The *origin*, as given by these Dutch and American theorists, for the correction of the excessive freedom of capitalism is *Christian principles*. The *means*, or the agency, is the state.

Basically, the paradoxical idea is: *political* man is more trustworthy than economic man. History has shown economic man to be deprived. Marx saw "economic injustice" and ranted against it. Then the Christians through their politicians stepped in; really they are not deprived; they rescued capitalism from too much freedom. Capitalism has thus been saved (1) by the principles of Christianity and (2) by the agency of the state, by *dirigisme*.

Is this remodeled capitalism still capitalism? Or is it really another system? What name should be applied to this "improved" system for society?

### III

When the intellectuals in the church accept capitalism, they have one definition; but when they reject capitalism they have another definition. This is a basic violation of Descartes's rules, quoted in the May 1957 issue of PROGRESSIVE CALVINISM. Descartes declared that clear thinking was impossible if basic matters were left undecided. What is more basic than definition of terms?

When the intellectuals accept capitalism they accept it as the opposite of socialism-communism. But after having used capitalism and its idea of freedom generally, and free markets specifically,

as a counter to socialism-communism, they then promptly abandon that very aspect of freedom which was their flag against socialism-communism and instead set out to limit that freedom. Freedom is a good thing to use to oppose communism, but it is a bad thing to use to defend capitalism.

The principles which are presumably involved are no longer *principles* but questions of degree, questions of expediency.

Intellectuals have been unstable and somewhat ill at ease about this matter. Dr. Henry Meeter in a book he wrote several years ago about the social, political and economic thinking in the Netherlands reported that immediately after the war the direction of Calvinist (?-fn) thinking was toward more controls [more *Dirigisme*]. But Meeter at the same time reported that more recently the intellectuals had already begun to retreat from their early post-war position. What more can one expect when principles have deteriorated into expediencies? This obvious situation will, naturally, be disputed. On page 21 of the pamphlet *Overheid en Economisch Leven* it is declared (our translation):

This is not expediency [*beginselloosheid*] but healthy realism, which takes the given situation as the starting point for action.

Not only is the anxiety which this statement manifests (that principles have been sacrificed) founded in fact, but the statement quoted is self-contradictory itself; it admits it decides according to circumstances; *that* itself is *beginselloosheid*.

De Koster in *All Ye That Labor* is troubled with the same problem. As we have already quoted him, he writes (page 114): "The entrance of the state into economic life as a positive agent of the people, *while always involving the threat of being carried too far*, has in general strengthened the national economy . . ." The italics are ours. This is the popular morality of expediency, not of principles. Who knows what is *too far*?

When morality becomes a matter of degrees — particularly if politicians subject to political pressure are to determine the degree — then what is done will not long remain morality but will become expediency. It is inevitable.



## IV

There are several different types of economic structures or economic orders, to wit:

KIND	CHARACTERISTICS		
	<u>Market</u>	<u>Ownership of Capital</u>	<u>Coercion</u>
1. Capitalism	Free	Privately owned	Forbidden
2. Interventionism	Regulated	Privately owned	Restrained legalized coercion
3. Socialism	Regulated	Publicly owned	Unrestricted coercion
4. Communism	Regulated	Publicly owned	Unrestricted coercion; violence
5. Syndicalism (fascism)	Regulated	Capital owned by respective industries	Government as umpire between industries

Which of these five systems do some modern Calvinists favor?

There is much sentiment in favor of (2), with a general drift toward (5). They generally favor (a) regulated markets, (b) private ownership of capital, and (c) restrained legalized controls (coercion). If they follow Abraham Kuyper and his idea of sphere sovereignty (*souvereinitiet in eigen kring*) they will in effect [by monopolies and cartels] approach the corporate state of Mussolini, known as fascism. The pamphlet *Overheid and Economisch Leven* is rather sympathetic to industry-wide monopolies and cartels — all in the so-called public interest, of course.

But what of *capitalism*, that is, (1) free markets, (2) private ownership of capital (which is certainly more than *stewardship* of capital), and (3) no coercion? If that is capitalism, many Calvinist intellectuals must have none of it.

It of course does them an injustice to say that they want *only* regulated markets. They also want *some* freedom in markets. It is because of that limited degree of freedom that they claim the name of being for capitalism, whereas in fact they are for interventionism.

Their classification is different from the foregoing; it is this:

<u>Theirs</u>	<u>Ours</u>
1. Capitalism (a) Laissez-faire type  (b) Interventionism type	1. Capitalism ( <i>laissez-faire</i> only)
2. Socialism	2. Interventionism
3. Communism	3. Socialism
4. Syndicalism or fascism	4. Communism
	5. Syndicalism or fascism

In their thinking interventionism is a legitimate sub-classification under capitalism. But they have abandoned capitalism on two counts: (1) they do not trust a *free* market; and (2) they demand coercion beyond the laws in the Second Table of the Law of Moses. They are, therefore, *in principle* no longer capitalists but coercers — interventionists. The reason justifying this statement is that the *one* characteristic of the capitalist system which they have retained, namely, private ownership of capital, becomes progressively nullified and a dead letter by (1) regulation of markets (2) acceptance of the principle of coercion, and (3) by emphasizing the idea of stewardship (according to their apparent meaning of the term).

The intellectuals in the Christian churches who have turned to interventionism — men as Jellema, De Koster and the intellectuals of the Anti-Revolutionary Party — are not capitalists in principles but interventionists. They have abandoned capitalism. They are subverting Christian ethics. They have removed the ancient landmarks. fn

## The Slaughter Of The Pigs

In the first half of the 1930 decade there was a great depression. It was caused by Republican folly; the Republicans had been in power for ten years and continued on in the depression for two years, until 1932. This great depression, initiated by the Republicans, was worsened and lengthened by the policies of the Democrats, who came into office in 1933.

Interventionism, believe it or not, *caused* the great depression, and increased interventionism *aggravated* the great depression. These allegations will need some explaining which we hope to present at a later date. The idea of most people is the reverse; they believe that capitalism caused the depression and that depressions are a hallmark of capitalism and something ineradicably inherent in capitalism. That belief is an error. It is not capitalism (we mean *laissez-faire* capitalism) which has a chronic disease, known as economic depressions; it is instead what is called *interventionist* capitalism which operates as a cancer in genuine capitalism and causes depressions. (But more on this at another time.)

One of the well-known interventionist measures of the new administration in the United States in 1933 was the gigantic slaughter of millions of sows and of little pigs. It happened that at the time we were an employee of a large meat packing company, and occupied a position by which we would have as much to do with this government scheme as anybody in the country and could see what it involved. Imagine standing in the world's greatest stockyard and looking down the long, dusty driveways, crowded with pigs, cute and fat and happy, all jostling their way with piggy squeals and grunts, to their quick death and conversion into animal food and fertilizer. Pathetic in a way. And all the result of interventionism.

The company by which this was being done was the largest slaughterer of these sows and pigs. The slaughtering was on the basis of competitive bidding by the various meat packers. Because of previous unfortunate experiences in business dealings with the United States government, there was a reluctance on the part of

some packers to bid aggressively. We bid competitively and boldly, and consequently got most of the business and did most of the slaughtering.

This program certainly was interventionism. The sows would normally have been kept as breeding stock and the pigs would have been fed to good marketing size, if the government had not *inter-vened*. This was not the functioning of a "market economy" or a "free market"; this was an interventionist, a "regulated" market.

The ultimate purpose, by the way, of *interventionism is to reduce production*. Or if it is not the purpose to reduce production, *the effect always is to reduce production*. All interventionism impoverishes. Although some gain in production can plausibly be alleged in some phase, when the *whole* case and the *remote* effects of that interventionism are considered, then the effect is to decrease supplies and make the *universal welfareshortage* that afflicts mankind worse. On that count alone all interventionism can properly be accused of being a moral evil.

Imagine a young man, acutely aware of the then current economic distress, seeing these sows and pigs grunting and squealing their way to an untimely end, thereby greatly reducing the supply of foodstuff. It is not necessary to be a sensitive person in order to wonder whether deliberate "destructionism" is a sound and moral policy.

That indeed is what interventionism eventually turns out to be — "destructionism." The sows and pigs are merely a case in point. Today, the form of this "destructionism" may be different — soil banks, union suppression of full production, feather-bedding, etc.

fn

## Lester De Koster On Interventionism

*All Ye That Labor* promotes interventionism. First, it promotes the general theory of interventionism. Finally, near the end it analyzes a specific case, and finds a solution according to the interventionist pattern; see pages 120-123, where De Koster considers agricultural surpluses.

De Koster introduces his case by the sentence:

A practical illustration of a Christian approach to an economic problem presents itself, it seems to me, in that of agricultural surpluses, viewed from a national viewpoint.

Attention should be directed toward the clause "viewed from a national viewpoint." Probably, De Koster wishes to indicate by that phrase a *broad* viewpoint, in contrast to an *individual* viewpoint. Why not go further and view the question from an international or *universal* viewpoint. That was the viewpoint of the Good Samaritan in the famous parable; *every man* was his neighbor.

The idea is important. Economics is not a science which deals with strange and seldom-investigated subjects. Instead it deals with the most commonplace, everyday problems possible. But the basic characteristic of the *science* of economics is that it analyzes things to their *remote* conclusions rather than to their immediate conclusions. Economics asks: what are the *ultimate* consequences *in total* of a specific economic action. It adopts a universal viewpoint. Therefore, economics and ethics must be in perfect harmony. As sound ethics look at every man as being a neighbor, so economics looks at the *total*, eventual result of an action.

De Koster goes on. He says: land, productivity, sunshine, rain, are gifts of God. Also technical skill and intelligence. And so we produce more agricultural goods than we consume, and there is potential overproduction. This is the customary, agonizing anxiety of interventionists, namely, *overproduction*.

Interventionism has three normal stages: (1) coercive charity or philanthropy; (2) restrictionism; (3) destructionism. Charity is usually the first stage, and destructionism, the last. Sometimes, in panic, all three stages are present at the same time. All three stages have a common origin and have behind them a common psychosis — the fear of overproduction or a desire to correct overproduction, real or imagined, of individual products or of products in total.

De Koster criticizes such restrictionism as "crop allotments" and "soil bank." He is still at the first position of Interventionism, namely, coercive charity.\* It is only later that interventionists come to step (2), restrictionism, and finally to step (3), destructionism (slaughter of pigs and plowing under of crops).

"Hunger," he says, "stalks the world," and "malnutrition is not unknown in sections of our own land." All true, of course.

Then he brings God in again. Can it be, he asks, that our fertility and intelligence is to go to waste by restrictionism, by soil banks and quota allotments?

Then he accepts the idea that we are our brother's economic keeper, and he brings in the favorite stalking horse of interventionists, stewardship. He writes:

School lunch programs and welfare allotments are a measure of recognition that the gift of productiveness imposes an obligation of stewardship.

The proposition is false. Productiveness does not impose an obligation of stewardship. And the case that De Koster is considering does not support his proposition. He first says that God helped us to produce more than the market needed; we have a surplus; therefore, we should give away the surplus. If the principle is sound, then everybody can go on producing wildly and irresponsibly. Imagine you are a women's shoe manufacturer and you produce too many women's shoes. However, there are millions of women who lack shoes. Why, this is your great opportunity to give them away to Hindu and Chinese women, and South Sea Islanders. This is a wonderful God-given opportunity of *stewardship!*

And this is presumably a *principle*. Errors you make in overcalculating what people need, and consequently overproducing, become a virtue and an opportunity for stewardship! If any idea can be more upside-down with common sense and logic, we could not imagine it.

\*Of course, that is a contradiction. No charity can be coercive and still be charity.

When a man produced too many shoes, was that a manifestation of the blessing of God in the form of leather, brass nails, plastic heels and the endowment of intelligence? That is what De Koster really alleges. This is nothing more than the proposition that poor business judgment is an endowment from God and an opportunity.

The error in that idea will become obvious if we go beyond surface phenomena. The surface phenomena are (1) the production of goods on the one hand and (2) a welfare shortage (needs) on the other hand. What did the shoe manufacturer do? He used scarce supplies — raw material and labor — to produce what was not wanted. He was a waster of what is in short supply. All overproduction of any commodity is waste. If the talk about God, and sunshine and rain and intelligence and stewardship are left out, then there is nothing left except poor judgment and the waste of valuable, scarce, raw materials.

The errors of an incompetent businessman should not be corrected by charity (stewardship) but by bankruptcy. The sooner such a waster of leather and labor gets out of the shoe business the better — for everybody concerned. Similarly, in regard to *persistent* agricultural surpluses.

In other words, De Koster is not stating or revealing a moral principle, but hallowing folly and error. fn

(to be continued)

## "Law Preached Before Love"

The title of this note is a quotation from page 28 of the June 24, 1957 issue of *Christianity Today*. The first three paragraphs of this article follow:

### LAW PREACHED BEFORE LOVE

"Like Wesley, I find that I must preach the law and judgment before I can preach grace and love."

In line with his statement, Dr. Billy Graham devoted practically all of the first two weeks of the New York Crusade at Madison Square Garden to a series of sermons on the Ten Commandments.

"The Ten Commandments," Dr. Graham said, "are the moral laws of God for the conduct of people. Some think they have been revoked. That is not true. Christ taught the law. They are still in effect today. God has not changed. People have changed."

We are in complete agreement with John Wesley and Billy Graham. fn

### A Smart Little Girl

A little girl was distressed by the discovery that her brother had set traps to catch birds. Asked what she had done about the matter, she replied, "I prayed that the traps might not catch the birds." "Anything else?" "Yes," she said, "I prayed that God would prevent the birds from getting into the traps." "Anything further?" "Yes, I went out and kicked the traps all to pieces."

That child seems to have mastered the doctrine of the futility of faith without works.

The foregoing is taken from some textmatter on the back of the church bulletin of June 23, 1957 of the First Reformed Presbyterian Church of Chicago at 81st and May Streets.

As faith without works is futile, so any resistance to the theology of the social gospel *unless accompanied by resistance to the ethics of the social gospel* is equally futile. fn

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