

*The Journal of
Biblical Integration
in Business*

JBIB

a publication of



The Statement of Purpose

The **JBIB** serves as a refereed forum for discussing faith-learning-life links in business. It is committed to the proposition that “All Scripture is God-breathed and is useful for teaching, rebuking, correcting, and training in righteousness, so that the man of God may be thoroughly equipped for every good work” (II Timothy 3:16-17). Faculty and business practitioners are encouraged to share their perspectives on how to best equip college students to live out their Christian faith in the workplace. The **JBIB** is published by the Christian Business Faculty Association with underwriting support from Cedarville College in Cedarville, Ohio.

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The Future We Make vs. the Future We Take

Sharon G. Johnson, Editor
Cedarville College

Introduction

This fifth edition of the **JBIB** is the last edition of the present millennium. In addition to the usual array of timely and thoughtful individual articles, we have continued to invite and include responses to those articles. We began this practice in the Fall 1997 issue of the **JBIB**, and this met with significant approval from CBFA members. The response pieces are all part of an intentional effort to fashion the **JBIB** as a “town hall” of ideas where we can express our different perspectives in an atmosphere of Christian respect and love.

In addition, this issue of the **JBIB** includes a special section on issues related to the future of Christian business education in the new millennium. The articles are diverse, but all point toward the challenges of continuing to develop a paradigm of Christian education in business that will remain true to its Christ-centered, biblically-rooted distinctives while engaging in changing forms of developing, delivering, and assessing the education of

students to which we are committed.

For most of my academic career, I have taught strategic management as a primary responsibility. After arriving at Cedarville College as chairman of the business department, I found that the business strategy course (the required capstone course offered in most business programs, sometimes known as “business policy”) was already in the capable hands of a professor, and so I assumed responsibility for teaching a course in Christian business ethics. Recently, the professor teaching the strategic management course announced his retirement. So, after a six year hiatus, I have been given the opportunity to resume teaching in this area.

So, planning and strategy has been on my mind lately. In addition to this course, I have been given the opportunity to design a distance education course in management. And, I also serve as director of graduate programs at Cedarville College with responsibility for launching our first-ever graduate program

(a master of science in administration degree) this fall. For me, planning and strategy are arenas for growth and experimentation both inside and outside the classroom.

A Model

A number of years ago, I developed a model of the planning process that has served me well as I wrestle with both “proclaiming” and practicing the art and science of strategic planning. A graphic of that model appears in Figure 1.

The model suggests that future results are very much the product of present actions using resources applied over time. In addition, the model focuses attention on

- the importance of goals, assumptions, and strategies as the fulcrum over which our plans are leveraged.
- the resistance all individuals and institutions encounter when they seek to engage in this active planning process stemming from momentum (“We’ve always done

it this way”), inertia (“We’ve never done it this way”), gravity (succumbing to the pressure of settling for second best and just getting by), and erosion (losing our competitive edge and our competitive energy).

- the fact that future results are only partially determinable by our intentions and actions. There is the part of the future we *make* as a result of our plans, and the part of the future that we *take* that comes as a surprise or reflects events beyond our influence.

we shall live and also do this or that.’ But as it is, you boast in your arrogance; all such boasting is evil.”), we are nonetheless responsible for thinking through what we want to happen and for acting in ways that make such outcomes more probable. (Proverbs 16:3, “Commit to the LORD whatever you do, and your plans will succeed.”)

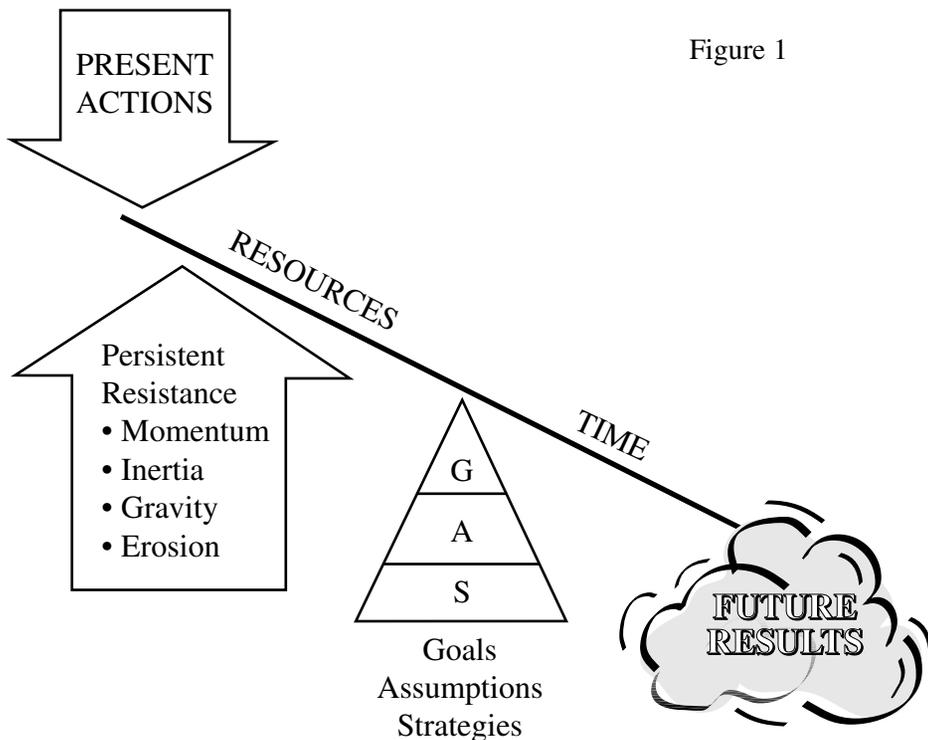
Christian business education stands at the threshold of a new century. By any measure the past has been a rousing success. Thousands of students have been prepared intellectually and spiritually to assume their place as Christ-honoring employees. They have made a significant impact in the workplace for the cause of Christ. They have been salt and light in a workplace increasingly oppressed by the effects of individual sin and collective greed. They have brought the witness of both the quality of their work and the grace of their words.

The present is equally compelling. Christian faculty are bringing a renewed commitment to faith and life integration. The Christian Business Faculty Association and its *Journal of Biblical Integration in Business* have fostered an increased interest in developing a

Implications for the CBFA and the JBIB

I have become convinced that those who focus effort on proactively creating the future rather than reactively coping with the future are the individuals and institutions that will succeed. While we should avoid the hubris of ever thinking that we control the future (Consider well the warning in James 4:13-16, “Come now, you who say, ‘Today or tomorrow, we shall go to such and such a city, and spend a year there and engage in business and make a profit.’ Yet you do not know what your life will be like tomorrow. You are *just* a vapor that appears for a little while and then vanishes away. Instead, *you ought* to say, ‘If the Lord will,

Figure 1



community of faith-centered scholars who bring to their teaching and publishing a distinctive Christian workplace perspective.

And, the future holds great promise for technologies and approaches that will extend both the impact and outreach of Christian business educators. This is especially so for those who have developed clear and compelling goals, have realistic assumptions about what can and cannot be done, and whose strategies produce distinctive Christ-centered competencies.

About This Issue

This fifth issue of the **JBIB** celebrates the creativity of the authors of its articles and responders, the professionalism of the review board, and the quality support of Kara Steinman and the other members of the public relations team at Cedarville College. Each of these groups and individuals have greatly helped this **JBIB** issue to come together.

It is my prayer that what is written in this issue will be used by the Holy Spirit to enrich and encourage the efforts of teachers of business on both Christian and secular campuses.

We welcome your comments about the material in the **JBIB**. If this is your first issue and you would be interested in looking at any of the four previous issues, please contact me by e-mail at johns@cedarville.edu.



Dialogue I

A Christian Perspective on Accounting: Making the Invisible Visible

Lynn Spellman White
Trinity Christian College

White encourages accountants to maintain biblical standards in their work while recognizing their responsibilities towards society.

Introduction

This is a challenging time for the accounting profession. Public trust in the content of financial reports is eroding, largely from concern that companies are manipulating accounting procedures in order to improve financial results. Byrnes, Melcher, and Sparks (1998) suggest that some companies engage in earnings hocus-pocus by booking revenues too early and abusing restructuring charges. The ability of the discipline to attract the best and the brightest students to its study has come into question due to ever-increasing demands placed on students and a public perception of accountants as being something less than captivating individuals. Also, accountants are struggling with the breadth of services demanded by clients and the resulting strain of maintaining an appropriate

level of professional expertise in all requested areas (Thomas, 1998).

In response to these and other concerns, the American Institute of Certified Public Accountants (AICPA) is currently conducting CPA Vision Project Future Forums in an attempt to build consensus among accounting professionals regarding which professional services are important now and which services will be important to the future of the profession. The AICPA is also engaged in a public image campaign designed to highlight the strategic importance of accounting information to management decision-making as well as the broad range of services performed by accountants. The new chairperson of the AICPA, Stuart Kessler, has even suggested that one way to enhance the CPA image is to

change what the letters stand for. He proposes calling CPAs “Certified Professional Advisers,” because he believes the term more closely reflects the competencies that set the profession apart. Kessler states:

I would like to change “public” to “professional,” because over 50 percent of our members work outside of public practice and the term is confusing. ... I would replace “accountant” with “adviser,” because adviser conjures up a better image of what CPAs do for clients, and it’s what will set us apart now and in the 21st century (Von Brachel, 1997, p. 71).

Presented with such a contentious environment, the accounting profession views the close of this millennium as a critical time in its professional development. As a result, the accounting profession is exhibiting a rather unusual willingness to examine and question the core values and assumptions upon which it is built. This situation creates tremendous opportunities for the Christian accountant. Now is the time for Christian accountants to encourage a vision of accounting that expands the traditional

boundaries of the profession. This expansion, however, must not be fueled by the profession’s self-serving desire to increase its power base in society. Rather, the expansion needs to be a natural outgrowth of applying biblical principles to accounting. Harrison (1990) proposes that:

Biblical principles provide the ideal basis for identifying fairness in accounting. Outlined in sufficient detail to give workable guidelines and effected by the Holy Spirit, the principles provide insights into the very mind of the infinite personal God. With a God-centered worldview, God’s Word can be applied to all accounting determinations (p. 110).

The ultimate goal of the accounting, or any other profession, must be to honor God in all its activities. Through Jesus’ own example we see that honoring God involves sacrificial service to our fellow man. Page (1996) notes that it was in Jesus’ washing of the feet of the disciples that we have the classic model [of servant leadership] for all time (pp. 68-69).

After he had washed their feet, had put on his robe, and had

returned to the table, he said to them, “Do you know what I have done to you? You call me Teacher and Lord, and you are right, for that is what I am. So if I, your Lord and Teacher, have washed your feet, you also ought to wash one another’s feet. For I have set you an example, that you also should do as I have done to you” (John 13:12-15).

The biblical principle of servant leadership has great significance to the accounting profession. By focusing the accounting profession’s attention on service to society as opposed to increasing its own authority in society, the accounting profession would be moving closer to a biblically-informed approach to professionalism. For example, current accounting practices only provide the users of financial information with a vision of the cost dimension of human resource (HR) activities within an organization. However, for quite some time there have been utility models available that measure the full economic impact of HR activities, including both costs and benefits (Boudreau, 1983, 1984; Boudreau & Berger, 1985). This expanded information could prove useful to society since it might encourage organizations to

invest more aggressively in their human capital and would also provide the public with more complete information to inform their investment decisions. The accounting profession has not embraced the concept of human resource accounting, stating that the models are impractical to implement (Roslender, 1992). In current practice, very few organizations employ utility models to measure the effectiveness of HR activities (Carnevale & Schulz, 1990), and it is unlikely that organizations will encourage the development of human resource accounting procedures for external reporting if they perceive it as expanding their scope of accountability. As noted by Roslender, human resource accounting has an obvious potential for promoting accountability to the work force as an element of an employment report (p. 105).

While it is true that utility models require the use of statistical estimation techniques, the benefits they provide in the form of increased information on the utility of HR programs would appear to exceed their costs. However, given the accounting profession’s need to appear objective and precise, accountants seem to perceive utility models as

a threat to the status of the accounting profession and therefore prioritize the self-interests of the profession over the interests of society.

This paper will explore how examining accounting policy from a critical perspective expands one's ability to interpret and understand the current composition of accounting standards. Chua (1986) notes that:

Within a critical perspective, the accounting profession is no longer theorized as a neutral group which evolves in response to rational demands for useful information. Instead, it is an aspiring occupational monopoly that seeks to further its own social and economic self-interest (p. 624).

Within the critical perspective, power theory can be used by Christian scholars to examine the underlying factors behind the current boundaries of accounting practice. These boundaries often seem to exist to support the accounting profession's desire for professional authority (one of the key attributes of a profession, Jones, 1995) as opposed to public

concerns. The accounting profession's focus on maintaining its professional authority tends to encourage actions that are more similar to a domineering, selfish leadership style as opposed to a

... power theory can be used ... to examine the underlying factors behind the current boundaries of accounting practice.

servant leadership style. Page (1996) refers to these conflicting approaches to leadership at the individual level, but they also serve to inform the discussion of leadership at the level of the profession. By departing from a traditional functionalist perspective on professionalism, the Christian scholar is freed from the controlling nature of accounting's status quo and can be encouraged to seek ways in which biblical principles can be applied to accounting information.

Current Christian Scholarship Integrating Faith and Accounting

A review of the literature integrating Christianity and accounting revealed that very little scholarly work has been done in this area. In addition,

much of the work that does exist excludes, unquestioningly, much of the current composition of accounting practices and instead focuses on assisting religious organizations with compliance issues related to accounting standards. For example, an article by Cvach, Field, and Faris (1996) examines the treatment of church retirement plans by the Employee Retirement Income Security Act of 1974. Stock (1995) reviews fund accounting for nonprofits and provides illustrations of financial presentations for churches. Edwards (1990) discusses the importance of following proper accounting procedures to religious organizations and having an annual independent audit of their financial statements.

In these articles, basic foundational issues, such as why certain activities are reflected in the financial statements while others are excluded, are left untouched. This reticence appears to have two sources. First, Christian accountants as members of the accounting profession find it difficult to question basic tenets of the profession from which they draw their professional authority. Second, a tendency exists in the Christian community, as well as the broader society, to regard

accounting practices as rigid and immune to interpretation. For example, Hooks (1992) examined the results of an AICPA survey that measured attitudes toward public accountants and found that 56 percent of the survey respondents thought that information presented in financial statements was precise.

Chewning (1990), in his introduction to the chapter "A Theological Perspective on Accounting" in *Biblical Principles and Business: The Practice*, identifies this bias that many Christians bring to the discussion of Christianity and accounting by noting:

I cannot help wondering how many of those who read it will have ever thought that biblical principles could be applied to accounting. ... The chapter also shows how God's revealed moral principles are so encompassing as to include something that seems, on the surface at least, to be so removed from theology (p. 105).

The skepticism concerning the existence of a Christian perspective on accounting has resulted in a failure to examine critically foundational issues related to accounting. As a result

of this failure, the assumption that accounting is a solely technical activity has remained largely unchallenged. Accounting is often portrayed as a factual and objective form of knowledge untainted by social values or ideology; accounting data is apparently an asocial product almost untouched by human hand (Loft, 1986, p. 137). Accounting is often represented as a set of neutral techniques that do no more than objectively record and reveal the results of organized activities. Accounting is treated as the mirror which reflects all the economic realities of the organization.

This assumption of neutrality is far too simplistic to be useful for the interpretation of accounting practices. In order to begin the discussion of integrating Christian faith and accounting, there must first be the acknowledgment that accounting is deeply embedded in a social context. Although accounting cannot claim to be solely social, attempting to understand it as a purely technical activity is impossible. Recently, more research has been published that interprets accounting as a profession which functions in a social environment. For example, Hooks (1992) examines how the

accounting profession's response to public concerns can be explained as enhancements to the profession's self-interest. Roberts (1996) notes that all aspects of accounting that at first glance might seem to be relegated to the technical (for example, the measurements, techniques, and criteria of accounting) are in fact deeply influenced by social factors.

Accounting can be seen as a particular structure of meanings in terms of which the significance of organizational events is negotiated and defined, as the basis upon which expectations and demands upon staff are communicated and legitimized, and as the vehicle for the enactment and re-enactment of particular relations of power. The shift in attention from accounting to accountability is thus a shift from a preoccupation with technique and its refinement to social practices and consequences (p. 41).

Stewart (1995) is a powerful example of the insight into accounting that can be gained when a scholar critically examines accounting practices. Stewart recognizes accounting as an interpretive art and suggests

that the accountant does not provide information that should be uncontested; the accountant does not reveal a pre-existing reality.

Accounts are not objectivistic in the sense of a pointer-reading science. To argue that accounting is like a barometer or speedometer, for example, is to grossly misunderstand its nature. It is the softness, then, of accounting numbers that is the reason why managers are so interested in them, for they can manipulate them where they may be motivated to do so (p. 637).

In contrast to the traditional view of accounting as an impassive recorder of fact, Stewart (1995) asserts, "Accounting is more like a photograph—it is taken from a particular vantage point, with a particular lens, at a particular time, for a particular purpose. ... Accounting is also constitutive, and people act on the basis of the picture which is painted" (p. 636). By placing accounting practice in a social context, Stewart is able to argue that social responsibility and concern for the common good must be integrated into the work of accountants, just as these qualities are assumed to be

central to the work of other established professions. He asserts that it is critically important to see the act of giving an account as serving larger human and environmental purposes and that the accountant is ultimately responsible to God, whose gift of freedom makes us accountable (p. 634). By relating the act of giving account to the biblical principle of accountability, Stewart introduces a framework from which the Christian scholar can address the issue of integrating faith and accounting.

Shifting the Focus from Accounting to Accountability

Accountability pervades human relations and interactions. Willmott (1996) suggests that accountability practices are the ways that people render the world, including themselves, both observable and reportable in ways that are logical to other members in society. The main process through which organizations make themselves observable and reportable to society is through their financial accounting reports. Roberts (1991) suggests, "The power of accounting information in organizations arises from the way it has been institutionalized as the most important, authoritative, and telling means

whereby activity is made visible” (p. 359). Munro (1996) suggests that we see through accounts: “Accountability is about making the invisible visible” (p. 5).

Currently, accounting systems do not capture information on all organizational activities, as the earlier discussion on human resource accounting illustrated. Therefore, accounting systems provide limited visibility to particular issues, which results in the creation of the significant within organizations (Richardson, 1987). Burchell, Clubb, Hopwood, Hughes, and Nahapiet (1980) suggest that accounting, no longer seen as a mere assembly of calculative routines, now functions as a cohesive and influential mechanism for economic and social management (p. 6). This results in a situation where the activities that are accounted for communicate to financial information users (both within and outside organizations) what they should consider to be important. Activities excluded from financial communications will typically find it more difficult to articulate their contributions to the profitability of their organizations. The restricted ability of these activities to be accountable for their actions can result in the

diminished ability of these activities to compete for the limited resources of their organizations. Thus the current accounting framework creates a particular perception of organizational reality that eventually becomes a self-fulfilling prophesy. The Financial Accounting Standards Board (1996), in its first statement of accounting concepts, states, “Financial reporting should provide information that is useful to present and potential investors and creditors and others in making rational investment, credit, and similar decisions” (p. 1014). Indeed, by excluding certain activities from participating in the financial reports, the accounting process eventually causes these unaccountable activities to wither to the point of being meaningless to the decision-making process.

Accountability also pervades our relationship with God; Scripture contains numerous references to the principle of accountability. Harrison Jr. (1990) notes, “Ultimately, all persons and all organizations are accountable to God because He owns all things (see Gen. 1:1; John 1:1-3)” (p. 111). Accountability is also related to God’s system of order and

authority: “God sits at the apex of the authority chain and grants ... the authority that employers hold over employees (see Eph. 6:5)” (p. 112). With the principle of accountability supported by a broad base of information, it is possible for

managers to make wise decisions and to be good

stewards of God’s creation. However, because of the limited financial information accounting systems provided in particular areas (human resources and environmental issues, for example), managers are not receiving the broad base of information needed to generate the wisest decisions possible. Therefore, since we are held accountable by God to be good stewards of his creation, we need to develop accounting systems that give an observable and reportable form to a much broader spectrum of business activities than currently exists. It is possible this will require developing accounting procedures that transcend the purely transactional approach that we now see dominating accounting practice.

“Accountability is about making the invisible visible.” --Munro

Significance of Power Theory to Understanding Accounting Practices

The Christian scholar must be able to critically question the very foundation upon which a profession is built. This is often very difficult for the Christian scholar, since the professional socialization process is usually quite strong. A first step in achieving movement

toward a Christian perspective on accounting is to shift away from a functionalist perspective and toward a power perspective on accounting. Power theory can be used by Christian scholars to facilitate a critical examination of their professions, because it encourages scholars to question well-established practices of professions.

The functionalist approach to professionalism was strongly supported by Parsons (1954) and attempts to complement the trait approach to professionalism by identifying attributes which are believed to be necessary elements in meeting the needs of society or to specific professional-client relationships (e.g., Barber, 1963; Littleton & Zimmerman, 1962). A functionalist viewpoint offers a rather kind picture of the

professions; professions are expected to prosper in accordance with their ability to help society, not because of their self-interest and desire for profit. In the following statement, Burchell et al. (1980) summarize the functionalist perspective on accounting:

We are all familiar with those stated roles of accounting which grace the introductions of accounting texts, professional pronouncements, and the statements of those concerned with the regulation and development of the craft. Latter-day equivalents of the preambles of old which appealed more directly to Heavenly virtue and authority (Yamey, 1974), they attempt to provide a more secular basis for the accounting mission. In such contexts, accounting is seen to have an essence, a core of functional claims and pretensions. It is, or so we are led to believe, essentially concerned with the provision of relevant information for decision-making, with the achievement of a rational allocation of resources and with the maintenance of institutional accountability and stewardship. Such functional attributes are seen as being fundamental to the accounting endeavor. Justifying

the existence of the craft, they provide rationales for continued accounting action (pp. 9-10).

The functionalist perspective views the justification for the authority of accounting in society to rest on the accounting profession's ability to provide society with information critical to the rational allocation of resources. The functionalist perspective excludes from consideration the possibility that accounting is attracted to activities that it believes are capable of maintaining and/or expanding accounting's place in society.

By the early 1970s, several researchers began to reject the functional assumptions that had tempered research on professionalism to that point in time and instead began to explore more attitudinal explanations for the development of professions (e.g., Freidson, 1970; Johnson, 1972; Larson, 1977). These theorists were the first to propose that the professionalization process involves elements of power and autonomy, not simply trust and service to society. Power theorists do not interpret common characteristics of professions, such as certification requirements and enforcement of

a code of ethics, as evidence of the service ideal held by professions. Rather, these qualities represent tools used by professions to limit competition for their job territories and to cultivate the public trust needed to create and/or maintain legislative support and protection. Abbott (1988) states:

New power literature thus unmasked earlier work as ideological. This unmasking reached its final form in Magali Larson's "The Rise of Professionalism" (1977). Here professions were explicitly market organizations attempting the intellectual and organizational domination of areas of social concern (pp. 5-6).

If professions are motivated to some degree by a desire to maintain and/or expand their positions of authority within society, it is then imprudent to accept professional practices without adequate evaluation. Christian scholars must not be swayed by the often considerable and compelling weight of professional pronouncements if they feel the pronouncements are motivated more out of the profession's own self-interest rather than concern for the

public's well-being. For example, Hooks (1992) analyzes the appearance, substance, and effect of the accounting profession's response to public criticism in the late 1980s. Hooks notes that some of the responses seem to be more concerned with appearances and the profession's self-interest rather than any substantive change. Hooks states:

Appearance of Concern for Public Interest: [Statements on Auditing Standards] SASs 56 and 57 codified current practice ... Therefore, they have probably had little impact, even on firms with internal standards that do not exceed the profession's requirements. SASs 60 and 61 are directives for increased internal communications. They do not call for more external communication, nor do they constitute whistle-blowing. These four standards provide an appearance of concern for the public interest in striving for more effective auditing. In doing so, they cause little change to the auditing business, and therefore increase public confidence at very little professional effort (p. 127).

Analyzing accounting from a power perspective, it is clear that the main source of accounting's

power in society is its ability to affect the very way in which we see organizational activities. Accounting is coming to be recognized as not being independent of the very organizational and social contexts in which it operates. It is implicated in the specification of organizational boundaries and in the creation of a means of visibility which can penetrate into internal functioning of the contexts in which it operates.

Perceived in such terms, accounting is a creative rather than merely reflective endeavour (Hopwood, 1989, p. 141). By capturing only selected activities in its analyses, accounting

plays a role in constructing an organizational or social domain, not only by its positive acts of creation and enablement, but also by its equally significant acts of demarcation and exclusion (Hopwood, 1989, p. 141). The activities traditionally included within accounting's field of vision serve to reinforce the functional image of accounting as a neutral facilitator of effective decision-making, ultimately strengthening the power position of accounting in society. This can be illustrated by examining a key

event in the history of accounting which occurred in the early 1900s—the development of theories of standard costing and budgeting.

Accounting and the Construction of the Governable Person

The development of standard cost models and budgeting has traditionally been regarded as an important stage in the development and refinement of accounting concepts and

Accounting is ... not ... independent of the very organizational and social contexts in which it operates.

techniques, with no ulterior motive attached to it. Standard costing and budgeting are viewed as useful techniques employed by organizations to enhance their ability to manage existing operations and to make plans for future activities. In contrast to this functional perspective, Miller and O'Leary (1987) view standard costing as a calculative practice that is one component of a wider modern apparatus of power which emerged conspicuously in the early years of this century. The concern of

this form of power is seen to be the construction of the individual person as a more manageable and efficient entity (p. 235). Kirk and Mouritsen (1996) also discuss the significance of accounting in managing the behavior of individuals, stating that:

The power accruing from such numerals is that they facilitate comparisons of various kinds: with budgets, with other organizational entities, with other organizations, and over time. Through these comparisons, centres attempt to evaluate relative efficiency and effectiveness of peripheries and to identify deviances to be explained (p. 249).

Prior to the development of standard costing, accounting functioned solely as a reporter of historical fact, not as a strategic partner in assessing current operations and planning for the future. Standard costing provided management with a powerful new tool to quantify variances of actual from standard at several different levels of analysis: the total organization, the quantity and price of material or labor used in production, and even the time and wages of individuals within the organization. Miller

and O'Leary (1987) note that standard costing and budgeting enabled managers to:

... render visible the inefficiencies of the individual person within the enterprise. In routinely raising questions of waste and inefficiency in the employment of human, financial, and material resources, they supplemented the traditional concerns of accounting with the fidelity or honesty of the person. Cost accounting could now embrace also the individual person and make them accountable by reference to prescribed standards of performance. With this step, accounting significantly extended its domain, enmeshing the person within a web of calculative practices aimed not only at stewardship but efficiency (p. 241).

Studying the development of a profession from a power rather than a functional perspective encourages the Christian scholar to examine different potential motivations for the current practices of a profession. Interpreting the aforementioned advancement in accounting from a power perspective, it is clear that the accounting profession

benefited greatly from the development of standard costing and budgeting models. These techniques enabled the accounting profession to befriend itself to the emerging movement called scientific management, as well as the engineering profession. It also enhanced the reputation of accountants as providers of objective financial information about organizational activities and assured a place for accountants in the strategic planning process of organizations. In summary, one of the outcomes of the development of these costing techniques was accounting's increased significance to organizations in the early years of this century, a significance which remains to this day.

Standard costing and budgeting techniques had a very powerful impact on the lives of individuals within organizations. Individual employees could now be held to very specific standards of performance and would be held accountable for variances from expected performance levels. It is less clear how these accounting techniques made organizations more accountable to society. A Christian perspective on accountability requires that accountability be reciprocal;

organizations should be accountable to society in the same way that employees are expected to be accountable to their employers.

Examining this situation from a power perspective, two possible explanations emerge. First, the authority of accounting stems in large part from its capacity to present information as if it were objective fact. Activities which require creative measurement techniques continue to be largely ignored by the accounting profession. Second, accounting lives within organizations and it therefore tends to engage in activities which make its hosts happy. These two points can be further illustrated by an examination of an emerging area of accounting known as environmental accounting. The current lack of an accounting for the impact of organizational activities on environmental resources illustrates the reluctance of the accounting profession to pursue non-traditional forms of measurement, as well as its concern with the maintenance of good relationships with its host organizations.

Environmental Accounting

In Genesis 1, God created an environment for Adam and Eve

that perfectly supported all their physical needs:

God said, "See I have given you every plant yielding seed that is upon the face of all the earth, and every tree with seed in its fruit; you shall have them for food. And to every beast of the earth, and to every bird of the air, and to everything that creeps on the earth, everything that has the breath of life, I have given every green plant for food." And it was so. God saw everything that he had made, and indeed, it was very good (Genesis 1:29-31).

God further charged man with responsibility for the ongoing care of the earth (Genesis 8:17). Man is to exercise dominion over the earth in such a way that the natural environment is not threatened, but rather flourishes. Bouma-Prediger (1998) presents several arguments for why it is critical that we care for God's creation. His eighth argument states:

God commands that we care for creation; authentic faith demands that we obey God; therefore we should care for creation. For example, the oft neglected Genesis 2:15 states that God created humankind to serve

and protect the earth. We are called by God to be earthkeepers; therefore we should strive to keep the earth—to lovingly care for it—just as God promises to keep us (p. 292).

It is clear that God commands us to be respectful of the earth and that we will be held accountable for our stewardship of the earth. In Revelation 11:18 we are told:

The nations raged, but your wrath has come, and the time for judging the dead, for rewarding your servants, the prophets and saints and all who fear your name, both small and great, and for destroying those who destroy the earth.

Currently, accounting systems do not provide users of financial reports with the necessary information to hold organizations accountable for their treatment of environmental resources. In response to this situation, some members of the academic accounting community support developing a system of environmental accounting. Sefcik, Soderstrom, and Stinson (1997) define environmental accounting as the understanding, recognition, and incorporation of the impact of

environmental issues upon a firm's traditional accounting subsystems (p. 129). Green accounting, as it is called, is a new concept that has attracted a good deal of attention from the accounting research community since it first appeared in the 1980s. The main objective of green accounting is to require organizations to reflect on their financial statements the activities which cause natural resources to be compromised.

As one way of accomplishing this objective, Rubenstein (1992) suggests the creation of natural asset trust accounts and natural capital accounts for essential natural resources. The value of these accounts would be based on the greater of potential clean-up costs or the estimated discounted cash value of the future productive value of the asset. The capitalized value of the natural asset would remain constant until the organization engaged in activities that caused the future productive value of the resource to be depleted. These activities would cause an entry to be made into the accounting system that would increase the natural resource expense account and increase the liability due to the natural trust account. This would disclose pollution levels in

excess of levels sustainable by an ecosystem. This accounting would reflect a new social contract between business and the stakeholders to whom they are accountable (p. 501) (as referred to in format on next page).

Currently, organizations are not supportive of attempts to develop environmentally-aware accounting systems. It is likely that organizations do not believe it is in their best interests to expand the scope of activities over which they can be held accountable. Also, organizations rarely support any new accounting technique that potentially increases the level of liabilities they are responsible for reporting. From the accounting profession's perspective, determining both the potential clean-up costs and the future productive value of assets involves estimation techniques that run counter to the profession's preference for certainty. Hence, although there appear to be accounting techniques that could be employed to communicate to stakeholders the impact of an organization's activities on the environment, the Financial Accounting Standards Board has yet to make any recommendations in this area. It appears that the

Appendix Greening the Financial Statements

Natural Asset Trust Account Required Adjusting Journal Entries
In Corporation's Books

Creation of a Natural Asset Trust Account Worth \$50,000,000:

Assets:	
Natural Asset Account	\$50,000,000
Equity:	
Natural Capital Account	\$50,000,000

Company engages in activities that deplete the productive value of natural resources by \$10,000,000:

Assets:		Natural Resource Exp	10,000,000
Natural Asset Account	\$50,000,000	Due to Natural	
Less: Accumulated Depletion	10,000,000	Asset Account	\$10,000,000
Due from Corporation	10,000,000		
Equity:			
Natural Capital Account	\$50,000,000		

(From "Bridging the Gap Between Green Accounting and Black Ink," by D.B. Rubenstein, 1992, *Accounting, Organizations, and Society*, 17, p. 507.)

accounting profession's current position on environmental accounting is inconsistent with God's intention to hold man accountable for responsible stewardship of his creation.

Conclusion

For the most part, the accounting profession has been left alone by the Christian community. This seems to be due largely to Christian scholars accepting, unquestioningly, the functionalist view of the accounting profession. In order to

develop a Christian perspective on accounting, there must be a willingness both to examine the foundational suppositions of the profession and to question if these suppositions are in accordance with biblical principles. Power theory can be used to encourage the type of critical analysis of the accounting profession that is necessary. Analyzing the accounting profession from a power perspective, it is clear that current accounting practices have at times been motivated by the profession's self-interest as

opposed to a desire to serve God's kingdom. It is the responsibility of Christian accountants both to encourage the profession to see more broadly its societal responsibilities and to encourage it to be guided by the biblical principle of accountability.

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Dialogue I

Comments on “A Christian Perspective on Accounting: Making the Invisible Visible”

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“A Christian Perspective on Accounting: Making the Invisible Visible” is interesting and well-written, but the topic raises several concerns. Much of what passes for environmentalism comes suspiciously close to worship of the creation rather than the Creator. The Bible says that we are to manage the earth, not worship it. I was pleased that White’s article avoided this common error.

One issue that does appear to be a problem in the paper is identification and measurement, a serious issue in much of accounting. Environmentalists proclaim with certainty about such issues as global warming. However, among those who have expertise in the scientific study of the earth, there is no general agreement that the earth is warming. Some studies suggest that the earth is actually cooler now than thousands of years ago and cooler than over the last few centuries. Other studies suggest

that solar variations impose temperature changes on the earth that outweigh anything humans have done or are capable of doing.

Nor are sources of pollution as simple or as human as environmentalists want us to believe. An example of the source problem is the recent spate of articles on Nashville, Tennessee’s air pollution. Scientists have discovered that greenhouse gases are more concentrated toward the fringes of the metropolitan area. Much to the disappointment and disbelief of the environmentalists, some of Nashville’s pollution appears to be caused not by human sources but by trees. (What does the term “greenhouse gas” suggest?) After all, the names of the Blue Ridge and Great Smoky Mountains predate autos.

Even if scientists agree that a problem exists, and even if they agree as to the cause, there are no dependable mechanisms available

for pricing an environmental problem. Some available techniques are quite arbitrary. Just ask an environmentalist and a CEO to agree on the price of a firm’s pollution. The market mechanism could be used, but it can only price items that can be bought or sold.

If there is uncertainty as to the cause of an environmental problem, or even whether such a problem exists, and if it is not possible to price the problem, it is not possible to allocate the problem’s cost. It is not clear from the article who is to assign the cost of a specific environmental problem to a particular firm or how it is to be done. Identifying an environmental problem and measuring its cost are outside the expertise of financial accountants. A reading of scientific journals seems to indicate that identifying and measuring such issues may be outside the expertise of today’s science.

Secondly, some of the proposed prescriptions for curing environmental problems would cause a slowdown in economic progress leading to a lower standard of living, health, and welfare of the earth’s human population. I am afraid that reporting additional liabilities on

the balance sheet and additional expenses on the income statement would aid that slowdown. Most environmental advances over the centuries have occurred in developed countries. London’s smog was eliminated as England became richer. The slash and burn agriculture in less-developed areas that is so deplored by more developed countries used to be common in North America. People who are grubbing for basic needs don’t have the time or resources to be concerned about the environment.

Those who support the Luddite concept that development is evil and the clock should be stopped or turned back have romanticized the short and brutish life of our ancestors. Luddites should visit a Third World country and live with a family for a while. Those of us who live in Amish areas quickly learn that pollution predates autos. When we go to a grocery store, we do not park near light poles. That’s where the Amish tie their buggies and where their horses deposit their recycled herbage. We try not to get in the checkout line close to our Amish brethren. As much as we respect their beliefs and hard work, a bath a week while working with farm animals is not up to modern standards.

The famous Amish cheeses are the result of USDA rules. Milk that doesn't qualify as grade A can't be sold for drinking. Making cheese out of it is OK. Do you like Amish baked goods? Visit an Amish kitchen. The pre-industrialized lifestyle includes flocks of flies.

Third, as desirable as Christian beliefs are, one cannot expect Christian beliefs to motivate non-Christians and non-Christian organizations. Attempting to apply Christian beliefs to induce the accounting profession to include environmental accounting should not be expected to work. I am reminded of what I see every day on the highway. As a Christian (who has read Romans), I can't intentionally violate the speed limit. However, I am not surprised at the number of drivers who zip past me. I should not expect the behavior of other drivers to be in concert with Paul's admonition to obey authority, because authority is from God. Most of them don't believe in God. It is probably appropriate to be distressed, however, when the speeding car has Christian symbolism attached to it. White is appropriate in encouraging Christian accountants to apply their faith to

their professional activities, but to expect a secular profession to reflect Christian values is overreaching.

Finally, accounting may already include some of the effects of environmental and human degradation. Society has established various agencies and processes (EPA, OSHA, ADA, workers' compensation, etc.) to monitor the impacts that firms have on their constituencies. If these function as they should, costs of externalities such as pollution should be attached to firms in the form of the costs and penalties they impose. These should be reflected in the financial statements as liabilities and expenses. If they have not yet imposed costs and penalties, but it is believed that they will, the expected values of these should be incorporated as contingent liabilities. Even if they are not reported on firms' financials, if security markets are efficient, the present value of these expected penalties should be reflected in stock prices.

I disagree with White on (a) the ability of accountants to identify, allocate, and quantify environmental problems; (b) the desirability of such reporting; (c) the hope of Christian motivation of a secular

profession; and (d) the current lack of such reporting. I find, however, that White's paper has made me think about the issue from a Christian perspective. If the readership is similarly stimulated to think about the place of Christian motives in accounting and other business professions, it will serve a very worthwhile purpose.

JBIB

Dialogue I

Another Christian Perspective on Accounting

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Introduction

White offers an engaging analysis on accounting from a Christian perspective. White's review of the functionalist and power perspective of professionalism, specifically as it pertains to accounting, is interesting and challenging. Especially appreciated is White's candid critique of the accounting profession, which, though accurate, is often grim and unflattering.

Many ideas proposed in White's essay merit further discussion. This rejoinder will comment on two. First, White's suggestion that accountants' ulterior motives are typically consistent with the power perspective (i.e., retention and augmentation of status and power) will be broadened. Second, it will be argued, and examples provided, that accountants are not always pawns of business nor are they unfettered with respect to outside controls. Finally, it will be

proposed that Christian accountants need not *reinvent the wheel*, but should collaborate with the many who are working towards a similar outcome via socio-economic accounting. Christian accountants must then build upon this foundation, extending it to a higher level.

Are Accountants Self-Serving?

White exhorts us to question the ulterior motives behind accounting decisions and practices. As an example, White discusses the accounting profession's exclusion of human resource utility models, because "accountants seem to perceive utility models as a threat to the status of the accounting profession and therefore prioritize the self-interests of the profession over the interests of society."¹

White neglects to discuss the many other motivators of accountants. For example, due to the looming threat of *litigation* and *malpractice*, accountants' decisions are often based more on

self-preservation than self-interest. Accountants are frequently punished, both monetarily and by tarnished reputation, when prudence is not demonstrated and financial statements are determined misleading. Neither external nor internal accountants escape judgement. Arthur Andersen & Company (external auditors) was penalized an estimated \$80 million in 1998 for scandals at Sunbeam and Waste Management. A marginalized internal audit team that did not verify accounting practices is blamed for the debacle at Cendant (Barrett, p. 70). Given incidences such as these and others, it is understandable that self-preservation may frequently govern accountants' decisions. Novel accounting practices (e.g., White's example of human resource utility models), therefore, receive scrutiny prior to adoption and implementation, not unlike the rigorous testing new medical treatments undergo before introduction.

The acronym CYA² is often explained to accountants early in their career. Unfortunately, this is a prevailing mindset of many accountants and other professionals (e.g., doctors, lawyers, and teachers).

The unbiblical nature of this mentality is obvious (Matthew 5:39-42, I Corinthians 6:7-8). Possible litigation should be but a minimal decision criterion for Christians, including accountants.

Are Accountants Independent?

White writes that "... accounting *lives* within organizations and it therefore tends to engage in activities which make its hosts happy." Environmental accounting is given as an example where "... the Financial Accounting Standards Board has yet to make any recommendation." The reason being, according to White, that, "... organizations rarely support any new accounting technique that potentially increases the level of liabilities they are responsible for reporting."

Debatable is White's implied premise that accountants, rather than being independent professionals that properly scrutinize clients, are pawns, used by business organizations to perpetuate business' goals. Admittedly, the accounting profession maintains a precarious position. "CPAs are hired by—paid by—the corporations they audit. There is a terrible tug of war in every CPA firm between

requiring a client to be forthright and truthful in their financial reports and keeping the client and the lucrative fees” (Kamoroff, p. 12).

However, it is extreme to state that the accounting profession is unharnessed by other governing bodies and is a puppet of business, consistently making decisions that make *its host happy*. Two recent examples show otherwise. On February 8, 1999, the Security and Exchange Commission panel recommended several measures that would diminish the accounting profession’s conflict of interest, shifting the oversight of auditors to outside board directors on the audit committee. Currently, outside auditors are often hired and fired by the same finance executives whose work they review. Lynn Turner, chief accountant at the SEC states, “We have to do something to make sure the auditor is skeptical” (Byrnes, p. 92). From within the profession, on April 21, 1999, the Financial Accounting Standards Board (FASB) made the unpopular decision to “eliminate pooling of interest accounting for mergers, perhaps by the end of 2000” (Holland, p. 52). This FASB decision is unwelcomed by the

business community that has long favored pooling because it eliminates future profit hits from goodwill and allows the use of “ever-soaring shares to complete deals” (MacDonald, p. A4).

Working Within The Current Environment

Laudably, the end of White’s essay urges “...Christian accountants both to encourage the profession to see more broadly its societal responsibilities and to encourage it to be guided by the biblical principle of accountability.” As one reflects on White’s closing, and White’s essay in its entirety, one might conclude that only Christians seek to redeem accounting. Fortunately, this is not true. A survey of literature, from a non-religious context, finds many that share White’s vision. Christian accountants may find that the groundwork for biblical accountability has been laid in *socio-economic accounting* and that there is a high acceptance of these principles. “Socio-economic accounting is a call for the measurement of the total performance of economic and government units and their contribution to the quality of life of all the members of a nation. Most people would

enthusiastically espouse this goal” (Belkaoui, p. 4). Briloff and Sporkin express similar sentiments. “I urge my colleagues in academe to take the lead in casting off the shackles of authoritarianism imposed on the profession by the FASB” (Briloff, p. 58). “For the system to flourish, we must insist the accounting profession be staffed with accountants that are both capable and possess the highest degree of integrity” (Sporkin, p. 101).

The Christian accountant’s task is to go further, including the integration of the paradoxical calling of servant leadership (John 13:12-15; Page, pp. 68-69; and White). White’s portrayal of *servant accounting*, “By focusing the accounting profession’s attention on service to society as opposed to increasing its own authority in society,” is little different from socio-economic accounting. Further research might explore how Christians should build upon the foundation of socio-economic accounting, providing specifics for extending accounting to an even higher plateau of serving.

ENDNOTES

¹Accountants may not yet fully embrace human resource utility models, per se, but

within, they are consciously attempting to implement good human resource management. Deloitte and Touche, a big five accounting firm, exemplifies this endeavor and has been recognized as the eighth best company to work for by *Fortune* magazine (*Fortune*, p. 121).
²Cover your *derrière*.

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Dialogue II

The Biblical Prohibition Against Charging Interest: Does It Apply To Us?

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Elder explores arguments for and against charging interest in today's society.

During the Middle Ages, many stories circulated telling of the doom to come for usurers. A usurer might find himself in hell prior to his time or find that her money had turned to dust in her strong box. One story told of a usurer being crushed on the porch of the church by a falling stone figure as he was entering the church to be married. Providentially, the stone figure itself was of a usurer being carried off to hell with his moneybags under his arms (Tawney, 1962, p. 37). Compare this attitude toward interest with our current one. Colleges, including Christian colleges, earn much interest income from their investments. Our students borrow money for college and do not think that the interest charged them by lending institutions might cause the lenders prematurely to be assigned to hell.

Have you ever wondered why the Bible prohibits loaning money at interest? I teach economics and finance classes and have often mentioned this prohibition in class but did not know how it might apply in today's society. The few paragraphs I found attempting to explain such passages often dismissed the prohibition against interest very quickly without much depth to the analysis. I write this paper in the hopes that there are others who want to be biblical in their thinking, acting, and teaching, but have not had the time to spend researching the topic.

Scriptural References to Interest

Old Testament

There are numerous Old Testament passages concerned with interest. Exodus 22:25 and Leviticus 25:35-38 prohibit charging interest to those who are

poor. Deuteronomy 23:19-20 prohibits the Hebrews from charging interest to other Hebrews but does allow the Israelites to charge interest to foreigners. Nehemiah 5:1-13 criticizes those who exacted interest from other Jews and tells of restitution being paid for interest charged. Ezekiel 18:5-8, 10-13, 17 and Ezekiel 22:12 also criticize those who charge interest. Psalm 15:5 describes a righteous person as one who does not loan money at interest, while Proverbs 28:8 warns that a person who does loan at interest will have his money taken away and given to a person who is kind to the poor. We know from passages like Nehemiah that at times the Israelites violated the commands against charging interest. However, there were times during which the command was strictly obeyed. Heichelheim puts it this way, "internally, usury was strangled and destroyed" (1965, p. 255).

New Testament

Luke 6:34-35 says to "love your enemies, and do good, and lend, expecting nothing in return; and your reward will be great, and you will be sons of the Most High." In the parable of the talents, Matthew 25:14-30, the

master expected the servant to invest the money entrusted to him with banks to earn interest if no other opportunities were available. No other New Testament passages deal with this topic.

Terminology

It is possible that the words used in the Bible really mean what we call *usury*, an exorbitant interest rate, and not interest. If usury was what was really meant, we would not have much further discussion. We could call for a ban on high interest rates and not worry about our consciences. Unfortunately, the biblical usage does not appear to allow us this interpretation. *Neshek* is the most frequently-used word for interest in the Bible, with *marbit* and *tarbit* also being used (Ballard, 1994, p. 214). Not everyone agrees upon the interpretation of these words. Some interpret *neshek* to mean interest on money, while *marbit* and *tarbit* are interpreted as interest on food and grains. Others believe that *neshek* has to do with interest that is taken out at the beginning of a loan, while *marbit* and *tarbit* mean interest taken out at the end of a loan (Ballard, 1994; Achtemeier, 1996; Gehman, 1970). Even though

there are some differences in interpretation, all of the biblical words used have to do with what we call *interest* and not usury. We cannot end our exploration here.

Another smaller problem of terminology exists in discussing this topic. In the Middle Ages, the word used was *usury*, usually meaning any interest at all. Our current use of the term *usury* applies only to exorbitant interest. This paper will use the term *usury* as exorbitant interest, but you will notice that in some quotations *usury* is used in the sense in which we use *interest*.

History

The attitude toward interest in the Christian era can help us understand the topic. Christians came to believe that all people were part of a “universal brotherhood” and that no one was outside of this brotherhood. The Jewish prohibition against charging interest to a person in the Jewish community was expanded to prohibit charging of interest to anyone (Nelson, 1969, p. xxi). Jerome (340-420) argued “that the Old Testament ban on charging interest to brothers in the faith was to be extended after Jesus to not charging interest to anyone since all were our brothers. ‘There was no scriptural

warrant for charging interest from anyone’” (Nelson, 1969, p. 3). Between 750 and 1050, usury laws were enacted in the Holy Roman Empire. At that time, usury was not well-defined, and there were no requirements for restitution when the laws were violated. After 1050, usury became well-defined, and there were penalties associated with usury (Noonan, 1957, p. 20). “The high water mark of the ecclesiastical attack on usury was probably reached in the legislation of the councils of Lyons (1274) and of Vienne (1312) ... [Violators] were to be refused confession, absolution, and Christian burial until they had made restitution, and their wills were to be invalid ... Any person obstinately declaring that usury is not a sin is to be punished as a heretic, and inquisitors are to proceed against him ...” (Tawney, 1962, p. 47). We see that the church took this issue seriously.

As the economy became more complicated, new business agreements were tested to see if they violated the ban on interest. For instance, investing in a partnership and expecting a return was not considered to be a violation, because a partner took a risk (Noonan, 1957, p. 152). The introduction of insurance in

the 14th century eventually led to what was called the triple contract. The triple contract allowed for a person to enter into a partnership and have his capital guaranteed not by his partner, which would have been usury since there was no risk, but by an insurer. “Since its [the triple contract’s] effects were distinguished from those of a loan by designation for a business purpose of the funds it conveyed, there were no practical differences between it and a loan for business. ... The moralists’ acceptance of the contract meant the practical exclusion of the old usury theory from business finance” (Noonan, 1957, p. 229). Calvin and some of his contemporaries put the finishing touches on the prohibition against interest,¹ although even these writers placed restrictions on which kinds of loans could require interest. By the middle of the 17th century, at least in Protestant-dominated countries, the discussion concerning interest had moved to the economic consequences of different rates of interest. It took until the middle of the 18th century for the Roman Catholic Church to relax its ban on charging interest, although as late as the middle of the 19th century, individuals such as

Father O’Callaghan were pressing for a return to the ban on interest.

Arguments Against Allowing Interest Charges on Loans

The major argument against charging interest is that the Old Testament passages clearly state that interest is not to be charged. As Christians trying to live lives consistent with God’s commands, we are called to obey what God has clearly communicated in His Word. Ballard argues that this argument is not for just Old Testament Israel. Some precepts such as the year of Jubilee and some debt remissions were meant to apply only to the Jews of the Old Testament, while the laws against interest easily apply to non-agricultural economies of the 20th century. “Not lending money (or anything else) at interest is a biblical doctrine which is easy to understand in any economic context” (Ballard, 1994, p. 210). It does not make sense to make a distinction between commercial and personal loans. The Israelites were small landowners. Their farms were their source of livelihood. To borrow for the farm was at the same time personal and commercial. Therefore, the Hebrew society was not one in which the distinction between commercial

and personal can be made. “The more salient point, though, is that loans to individuals were sometimes for consumption and sometimes business loans since many lived not only by eating what they produced but by selling it” (Ballard, 1994, p. 220).

On the other hand, Calvin argued that this prohibition was primarily a civil one. The Jews were in a unique situation in which it was easy for them to do business among themselves. Other civil situations would lead to different solutions to the interest problem (Harkness, 1931, p. 206). Heichelheim argues that the Jewish nation was primarily agricultural and non-commercial. Loans to each other were non-commercial and, as such, should not have interest charged. Loans to outsiders were primarily to large commercial enterprises, and thus the Jews could charge interest. These commercial enterprises were almost all-engaging in the conduct of foreign trade and usually bought and sold luxury goods.

This is the key argument to the interest issue. If God’s command was for all times and all places, we need to abolish interest charges. Since some Old Testament passages, such as the ceremonial commands, no longer

apply to us, we must decide what kind of command we are considering. The Jews did have a unique situation in which a faith community of small landowners occupied a small country. They had a common religion and a common ethnic background. Loans to each other probably were more personal than commercial. The exception allowed for charging interest to foreigners looks like it was an exception given for commercial purposes. If these assumptions are true, the conclusion is that there is no complete ban on charging interest. At the least, interest should be allowed on commercial loans.

A second argument against charging interest is that charging interest is evil because of what happens when interest is charged. Pope Innocent IV agreed with this when he claimed that “Usury is prohibited because of the evil consequences that follow from its practice” (Noonan, 1957, p. 50). Some would go so far as to say that the major intent of the prohibition against charging interest was to prevent the mistreatment of the poor. “Justice forbids profiting from the misfortune of the poor by charging them interest on charitable loans” (Beisner, 1988,

p. 215). In ancient Israel, one of the consequences of charging interest to the poor was that they ended up as slaves when they could not repay debt and interest.

The prohibition against charging interest might have been to prevent Jews from becoming slaves to other Jews when they could not repay their debt. It then would not apply when debt slavery is not an issue (Heichelheim, 1965). Many people have to borrow for necessities to get through the day. Charging interest on loans such as these will cause those in poverty to fall even further behind and become beholden to the loaner of money. Problems with credit card debt in our time may be evidence of this evil. On the other hand, many borrow at interest for homes and college and have many positive benefits accrue. Given that some good and some bad can occur with borrowing at interest, and given the prohibition against charging interest to the poor in Exodus 22 and Leviticus 25, perhaps the conclusion we should come to is that there should be some mechanism by which low-income people could

borrow (for necessities?) without having to pay interest.²

If God’s command was for all times and all places, we need to abolish interest charges.

A third argument against allowing interest to be charged is that we need

to honor those Old Testament commands which were renewed by Jesus. This argument claims that Jesus renews the command against charging interest in Luke 6:35. The Sermon on the Plain (or Mount in Matthew) is not an easy portion of the Bible to interpret. In the sermon, Jesus says to give to those who beg from you. The last time I gave to someone who begged from me, I watched as he took the money to the nearest liquor store. Jesus tells us in the sermon to pluck out our eye if it causes us to sin. I believe there are many Christians whose eyes have caused them to sin, but there are no Christians who have plucked out their eyes because of the sin. The best I can tell, the sermon is not meant to be a new set of commands but is an invitation or explanation of how life would be for those who are fully in God’s kingdom. In that kingdom, there would be people who were willing to help others out to the extent of lending

without expecting anything in return. This does not appear to be a case where Jesus is renewing an Old Testament command so as to make it applicable to those who come after Jesus.

A fourth argument against charging interest is that in the Christian era, we have all become brothers and sisters, and because of this, interest should be charged to no one. This argument would hold only if the Old Testament ban was to apply to all people at all times. Since the prohibition does not apply universally, the extension from the Israelite community to everyone does not apply. However, it does seem that Christian churches would want to consider having interest-free loans available to members of their community.

Historically there have been many other arguments against charging interest. The Scholastics put much time and effort into formulating and defending the church's stand against interest. Oresme, following Aristotle, argued that the only natural use of money was as a medium of exchange and that money was sterile. Since money was sterile, it should not be used to "breed, because this is an unnatural use of money ..." (Langholm, 1987, p. 129). Breeding in this case

meant creating more money by charging interest on a loan. We see other uses of money such as a store of value and a measure of value. The sterility of money as an argument against interest sounds as foreign to us as does the argument of money having only one use.

Arguments In Favor of Allowing Interest to be Charged

As Christians, the primary argument for allowing interest to be charged is that the prohibition against interest no longer applies. We saw earlier that a case can be made that the Old Testament prohibition should not apply to commercial loans. It may apply to loans to low-income people.

In a modern economy we recognize a time value of money. We believe that it is a good thing to reward those who are willing to part with their money for a time by paying them interest. Many times the money loaned is used to make a profit for the borrower, and interest is a way in which the loaner can be compensated for allowing someone else to use her money. There appears to have been no recognition of the time value of money in ancient Israel.

In biblical times, the economic pie was fixed. If one

person hoarded goods, that meant that there was less for someone else to consume, which may have resulted in death. Saving for investment in productive goods is a modern idea of which the ancients had no idea. When we save and invest, the economic pie grows larger, and everyone is better off (Halteman, 1995, p. 59). Since we have a chance to make the community better off by loaning money for productive purposes, we should do so.

To expect some reward in terms of interest for parting with our money seems to be reasonable.

The parable of the talents, Matthew 25:14-30, mentions putting money in a bank and earning interest. This parable is seen as a statement by Jesus allowing interest to be given. However, parables usually have one primary point, and it is dangerous to make too much of the story used to make the point. The primary point made by Jesus in this parable is the using of the gifts God has entrusted to us. To make the parable one as endorsing interest would be to read too much into the parable.

Conclusion

The purpose of this study was to review the prohibition against charging interest. My conclusion

is that those of us in economics and finance can keep our jobs. The biblical prohibition against charging interest was not a blanket prohibition for all people at all times. Even in the Old Testament, Jews could charge interest to Gentiles. This places interest in a category separate from actions such as incest, which are prohibited at all times. So we need to discover what part of the prohibition, if any, applies to us.

On one end of the scale, it seems clear that commercial loans should be allowed to bear interest. It makes sense to reward those who are willing to postpone using their money to make it available to others. If the money is used for useful investment, the entire community can benefit. On the other end of the scale, it appears as if there should be avenues available for low-income people to borrow without interest. The churches I have been involved in have had a certain amount of money in their budgets that has been given to families in need. Perhaps we should expand this service by making interest-free loans available also. If the loans could be used for education or small business start-up, the recipients would be much better off than if

they had continued to receive handouts.

In between these extremes there are a multitude of positions. Micro-enterprise work is being done in the inner cities of our country and in developing countries. Small loans are being made to help make people financially independent. Some of these loans are at low interest rates to encourage accountability and to allow for the accumulation of funds to make further loans. Getting people on their feet financially has many advantages over a dependence on welfare and builds self-esteem, which does not occur under a welfare-only approach.³

We may be able to learn some lessons from the financial systems in Israel (see Tamari) and Islamic countries (see Issawi). Interest is not allowed in Israel or some Islamic countries. In general, what happens is that depositors become part owners in the banks in which they deposit their money, and they earn dividends if the bank earns a profit. When banks issue consumption loans, fees are charged which are not considered interest. For commercial loans, several options are available. One option is to have the bank and the borrower provide capital and share profits.

Another is to have the bank provide all of the capital for an entrepreneur who later has the option of buying out the bank. While it does not appear practical or necessary to try to legislate mandatory prohibition of interest, the Christian community could open banks which operate more like the banks just described.

There are many issues left to resolve. We should explore having interest-free loans available to those within the Christian community. We should also ask ourselves how far we might want to go with interest-free loans. For what kind of items should the interest-free money be used? Should they be only for necessities? Should a house or a car be included as a necessity? If an interest-free loan is made for a house and the house is sold for a capital gain, should those who loaned the money for the house be allowed to participate in the capital gain? What do we do with those who continue to ask for handouts or interest-free loans? Would welfare recipients be better off in the long run with interest-free loans instead of handouts? Hopefully these are topics in which we can get our students interested. In the classroom, the discussion could provide an interdisciplinary

experience as history and theology can be brought in to augment the economic and finance aspects of the conversation. Creative solutions to these questions have the possibility of creating a Christian community more useful to Christians and more attractive to non-believers.

ENDNOTES

¹Calvin had limits on when interest could be charged. Among other things, he believed that no interest could be charged when lending to the poor. Charity came before lending and some things that were allowed by law could be prohibited to the Christian (Graham, 1978).

²One of the first exceptions to the ban on interest in the Middle Ages was to raise money to make loans available to the poor. These loans were provided to the poor at the cost of the service provided. The institutions that made these loans available were allowed to pay interest to attract money, since gift money did not provide adequate funds (Noonan, 1957).

³Thanks to a reviewer for suggesting this idea. See also Beckman and Simon for more details.

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Dialogue II

Charging Interest: Is It Biblical?

A Response

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“The Biblical Prohibition Against Charging Interest: Does It Apply To Us?” concludes that “The biblical prohibition against charging interest was not a blanket prohibition for all people at all times” and “we need to discover what part of the prohibition, if any, applies to us” (Elder). Elder’s thesis is popular and expected. Subsequent to the 16th century, charging interest for money has received little criticism. However, widespread acceptance of a practice does not constitute an adherence to God’s will.

As Elder recognizes, the topic requires continuous discussion, and few absolutes can be ascertained. This paper will offer additional propositions that do not directly counter Elder’s position, but attempt to enrich and encourage further discussion.

Defining Usury and Interest

Interest and *usury*, in colloquial modern English, have two distinct meanings. *Interest* is

“a price for the loan of money or a premium” (Divine, p. 4) while *usury* is an “exorbitant charge for a money loan or a charge that exceeds the legal rate” (Divine, p. 4). Interestingly, a more proper definition of *usury*, according to Webster’s New Collegiate Dictionary, does not distinguish between the two terms. “Interest” and “lending of money with an interest charge for its use” are Webster’s two primary definitions for *usury*. “An unconscionable or exorbitant rate or amount of interest” is the third definition (Webster). In his essay, Elder chooses to use the less preferred, but more popular definition of *usury*, “exorbitant interest.”

Though Elder observes that, prior to the 16th century, *usury* and *interest* had identical meanings (i.e., any interest assessed to a loan), he does not explain that the repeal of the prohibitions of interest (i.e., of *usury* in the original sense) and the establishment of a legal rate spurred *usury*’s definitional

change. “When the century began, to live by usury as the husbandman doth by his husbandry had commonly been treated as ignominious, immoral or positively illegal: when it ended, money-lending was on the way to enjoy[ing] the legal security of a recognized and reputable profession” (Wilson, p. 106). One might ponder if the modification of usury’s meaning is indicative of humans’ attempts to rationalize charging of interest and alter the teaching of God. Is this another game of semantics, attempting to mitigate an action’s sinfulness? A child contends that a *fib* is not a lie, a president asserts *fellatio* is not *sex*, and Christians profess that *interest* is not *usury*.

What Is An *Exorbitant Interest Rate*?

Difficulties exist when accepting the popular colloquial usage of usury—*exorbitant interest*. The term is relative. Double digit mortgage rates (e.g., 15 percent) appear exorbitant today, but were common in the late 1970s.

Is *exorbitant* interest only those interest rates that are illegal (Divine, p. 4)? History shows otherwise. At the end of the Middle Ages, “forbidden to

charge interest, business men had circumvented the statute by investing their capital in goods, selling them on credit, and charging high prices for what was, in effect, a concealed loan” (Wilson, p. 156). A present day example might be the company Rent-A-Center, where one is able to own a refrigerator after 24 monthly payments of \$119.96. Given that a comparable refrigerator sells for \$825 at Sears, Rent-A-Center is providing finance of this *necessary* household item at a rate greater than 150 percent annually.¹ Is this usury, or a legitimate *legal* return for undertaking the risk of selling to a low-income customer?

Arguments Against Interest

In 1499 Conrad Summenhart wrote an authoritative, thorough analysis of the unnaturalness of usury. Summenhart “... offers [23] natural-law reasons in favor of the usury prohibition, criticizes, modifies, and rejects most ... and ends with two tenuous formal arguments against usury left standing” (Noonan, p. 340). Elder, in an abridged fashion, presents and dismisses four arguments opposing usury.

The argument in Elder’s essay that is rebutted least

persuasively is his third: “we need to honor those Old Testament commands which were renewed by Jesus.” Elder’s chief refute is that many teachings from Jesus’ Sermon on the Plain and Mount are illogical. Concerning Luke 6:35, “... lend to them without expecting to get anything back ...,” Elder writes, “The last time I gave to someone who begged from me, I watched as he took the money to the nearest liquor store. Jesus tells us in the sermon to pluck out our eye if it causes us to sin ... but there are no Christians who have plucked out their eyes because of the sin.”

Elder’s precept that other tools (e.g., church tradition, creation, science, reasoning, etc.) are often useful when interpreting Scripture is shared by others (e.g., Chewning, Porter, Vander Veen), but logic alone is often insufficient. For most people, God becoming flesh and dying on a cross is not logical. Christians are often accused of, and are sometimes guilty of, creating their own religion. That is, embracing Scripture that is easy and affirming to us (e.g., only Christians are saved; “I am the way the truth and the life. No one comes to the Father except through me” John 14:6), but rejecting or rationalizing

Scripture that is difficult and condemning to us (e.g., Luke 6:35).

Biblical Teachings

Elder writes that, other than Luke 6:35, “no other New Testament passages deal with this topic [interest].” This is debatable, with at least two additional verses² that, directly or indirectly, strengthen the precept that usury is not proper. Matthew 5:42 instructs, “Give to the one who asks you, and do not turn away from the one who wants to borrow from you.” Romans 13:8 exhorts us not to borrow, “Let no debt remain outstanding, except the continuing debt to love one another ...”

Granted, these verses are difficult to understand and follow. The economic system of most developed nations is grounded in usury. Most everyone participates in usury, be it borrowing interest-bearing funds (e.g., mortgages, student loans, automobile loans, etc.) or lending and receiving interest in return (e.g., savings accounts, certificate of deposits, money market funds, etc.).

Concluding Thoughts

Elder contends that the biblical teaching regarding the year of Jubilee is applicable only

to the Jews of the Old Testament. However, a growing coalition of Christians disagree, support Jubilee 2000 (www.one.world.org/jubilee2000), and are campaigning for the cancellation of the backlog of unpayable debts of the most impoverished nations. Though usury is often instrumental in helping economies and people, it may also be detrimental and crippling.

“In some indebted countries, interest payments alone are more than the value of exports—even when those countries export food that should go to their children ... the developing world pays the West three times more in debt repayments than it receives in aid. Africa spends four times as much on debt repayment as it does on health care” (Vandergrift).

Given that Christ’s greatest commandment is to love God (Matthew 22:37) and that we exhibit love for God when giving to those in need (Matthew 25:40), shunning usury and embracing the year of Jubilee may well be sound Christian practices.

ENDNOTES

¹Rent-A-Center and Sears numbers are based on observation and phone call inquiries.

²This, therefore, totals three verses, adhering to Chewning’s suggestion that, “... whenever possible bring at least three passages of

Scripture to bear on any pronouncement of truth in the areas involving faith and learning” (Chewning, p. 91).

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Dialogue III

Marketing in the New Millennium: Motivational Differences Between Traditional and Non-Traditional Christian Business Students

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The authors present their study on the motivations of traditional and non-traditional Christian business students and discuss their findings.

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Abstract

An understanding of the different motivations of traditional and non-traditional business students is critical for marketing the Christian university in the new millennium. This research used a stratified sample of undergraduate business

students from three different universities with a Christian educational philosophy in an attempt to differentiate between traditional and non-traditional students as to their motivations for pursuing a college degree at a Christian college or university. Using means testing and factor analysis, it was shown that non-traditional student motivations are more career/job-related than traditional student motivations. Traditional students are more likely to be motivated by a university’s spiritual focus than

non-traditional students, who put more emphasis on academic programming and convenience. A variety of factors account for a fragmented picture of the major motivational differences between the two groups.

Introduction

With the new millennium will come changes in the work force. As technological advances fuel the economy at breakneck speed, employee skills will become obsolete at an equally fast pace. More and more employees are finding themselves out of work and forced to accept lower-paying jobs or return to school to upgrade their skills (Munk, 1999). This is only one of the many reasons college professors have been witnessing the growing trend of adult students returning to the classroom. But are university administrators properly positioning their programs to capitalize on the changing demographics of the student population? An understanding of the different motivations of both traditional and non-traditional business students will be critical for the future marketing of the Christian university in the new millennium.

Most professors understand that there are differences between

adult students and the traditional 18 to 24-year-old students. Non-traditional students are typically older than traditional students and possess several more years of full-time work experience. Mishler (1983) implies that these older students have a more valid perception of the benefits of a college degree. In contrast, Jaffe & Adams (1969) state that traditional students seem to be “unrealistic about the relationship between educational attainment and future employment.”

Traditional students are those that can be described as being 18 to 24 years of age and who have proceeded directly to college after the conclusion of their high school education. Most traditional students have little or no full-time work experience. Non-traditional students, however, are somewhat more difficult to define since there is not a consensus as to a defining variable or set of variables. These students have been referred to as “non-traditional” (Ashe & Buell, 1998; Bers & Smith-Bandy, 1986; Borsari, 1999; Kimbrough & Weaver, 1999; McAlister, 1998; Sewall, 1986; Sinha, 1998), “older” (Chene & Sigouin, 1997; McNeely, 1991), “mature” (Blaxter, Dodd, & Tight, 1996;

Challis, 1976; Gammon, 1997; Hodgins & Kelleher, 1998; Patterson & Blank, 1985; Wilson, 1997), and “adult” (Amos & White, 1998; Bee, 1995; Bowden & Merritt, 1995; Ceschi-Smith & Waldron, 1983; Cooper, 1995; Graham, 1987; Iovacchini, Hall, & Hengstler, 1985; Matthews, 1995; Mishler, 1983; Rogers, Gilleland, & Dixon, 1988; Sewall, 1984; Wagschal, 1997). The majority of previous studies regarding these students attempt to define this category of student by the age at which a student ceases to be a traditional student and becomes a non-traditional student. Previous research has set that age level at 22 (Harju & Eppler, 1997; Iovacchini et al., 1985), 23 (Graham, 1987; Richter-Antion, 1986), 24 (Devlin & Gallagher, 1982; Kinsella, 1998; Waltman, 1997), 25 (Donohue & Wong, 1997; Howard & Henney, 1998; Senter & Senter, 1998; Bowden & Merritt, 1995), 26 (Bishop-Clark & Lynch, 1998), 27 (Barker, Felstehausen, & Couch, 1997), 29 (Robson, Ryan, & Veltman, 1997), 30 (Gerson, 1985), and 36 years (Epstein, 1984). In the end, however, a common goal of these previous studies has been to distinguish between students who have matured (non-traditional,

adult, older) in their commitment to their own education from those students who have not matured (traditional). Since individuals mature at different rates, a firm consensus of an age-only typology may never be reached. Therefore, an age-only typology has become outdated in light of the growing popularity of emerging educational delivery methods.

The advent of technology in higher educational programs has increased the usage of television, two-way interactive television, videotape, satellite television, e-mail, and the internet/intranet as alternative delivery methods (Alley, 1996; Bailey & Cotlar, 1994; Gubernick & Ebeling, 1997; Lord, 1995; Mayor, 1996; Milone, 1997; Young, 1995). These non-traditional educational delivery methods are rapidly growing in their appeal with professors.

The emergence of these technologies has revolutionized our ways of thinking and living in recent years and opened up heady prospects for creating worldwide links between universities, institutes of higher education and research, libraries, laboratories, and hospitals; disseminating knowledge; promoting

personalized teaching; education tailored to the needs of individuals and groups; the exchange of ideas and data; and the implementation of collective projects (Mayor, 1996, p. 38).

Currently, 55 percent of 2,215 four-year colleges and universities in the United States are offering some type of non-traditional educational format (Gubernick & Ebeling, 1997).

For purposes of this research, students were categorized based upon age and teaching methodology. Students classified as “traditional” were less than 25 years old and educated using the traditional classroom/lecture format. Students classified as “non-traditional” were 25 years old or older and educated using a non-traditional format (e.g., compressed programming, online, interactive television). The age limit of 25 as the break between traditional and non-traditional was chosen because it is the minimum age requirement to be admitted into the different non-traditional degree completion programs at the universities from which the sample was taken. As expected, the two variables were closely related ($t = -25.55$; $p = .000$).

Student Motivations

Popular literature has shown that the number of non-traditional students obtaining a bachelor’s degree is steadily increasing (Gose, 1996). A review of literature revealed no consensus as to the motivational forces challenging non-traditional students to pursue a degree. However, several motivations were found to be significant in previous studies: to facilitate social relationships such as to make new friends (Rogers, Gilleland, & Dixon, 1988), to meet personal expectations/goals such as to achieve independence (Sewall, 1984, 1986), satisfaction of obtaining the degree (Furst & Steele, 1986; Graham, 1987; Mishler, 1983; Sewall, 1984, 1986), personal development (Backes, 1997; Ceschi-Smith & Waldron, 1983; Challis, 1976; Epstein, 1984; Furst & Steele, 1986; Graham, 1987; Rogers, Gilleland, & Dixon, 1988; Sewall, 1984, 1986), to increase self-esteem (Mishler, 1983); work/career-related goals such as to change jobs (Bers & Smith-Bandy, 1986; Mishler, 1983; Rogers, Gilleland, & Dixon, 1988; Sewall, 1984, 1986), to develop new skills (Backes, 1997), to advance in present job (Bers & Smith-Bandy, 1986;

Challis, 1976; Henry, 1985; Keller, 1982; Rogers, Gilleland, & Dixon, 1988; Sewall, 1984, 1986), to receive required job training (Backes, 1997), to increase job security (Mishler, 1983), to increase income/earning power (Iovacchini, Hall, & Hengstler, 1985; Graham, 1987); social welfare reasons such as to become better informed, to become more educated (Graham, 1987), and just for the sake of learning—curiosity (Cross, 1981).

In contrast, traditional students have been motivated to seek a college degree for such reasons as to satisfy their parents, to increase their intellectual development, for vocational preparation, for economic gains, to build leadership skills, to serve society (Cohen & Guthrie, 1966), to satisfy their friends or peers, to take advantage of extracurricular activities (Spady, 1970), because of convenient academic facilities (Iovacchini, Hall, & Hengstler, 1985; Medsker & Trent, 1965), to be affiliated with the high status of the school (Meyer, 1970), and to take advantage of low tuition costs (Iovacchini, Hall, & Hengstler, 1985). An adequate summation of previous research is provided by Cross (1981) who stated, “Young people are primarily interested in education for upward

mobility; adults with a good job want a better one, and those without a job want new career options” (Cross, 1981, p. 96).

However, all of these aforementioned studies used student samples taken from secular institutions in which respondents may or may not have been Christians. None of these studies attempted to identify the motivational impact of spirituality in context with other motivational bases. The Holy Bible (John 16:13, Acts 10:19-20, Acts 16:6, Romans 8:14) is quite clear that the power of the Holy Spirit to guide believers who submit to Its will is great. Thus, spirit-related motivations should be measured in context with secular motivations as a basis for assessing the effectiveness of higher education delivery methods. To this end, the following research questions were developed to guide the research project: (1) Do spiritual motivations differ between traditional and non-traditional students? (2) Do secular motivations differ between traditional and non-traditional students?

Research Design and Methodology

The objective was to measure and identify the differences

between traditional and non-traditional Christian business students' self-reported motivations for seeking a four-year college degree. A stratified sample of undergraduate business students was taken via anonymous questionnaire from three Christian universities that differed theologically (Evangelical/Free Methodist, non-denominational/charismatic, non-denominational/non-charismatic) and were geographically dispersed (midwestern, south central, and eastern United States). Each university had both a traditional business program and a non-traditional business program. The age of respondents and the educational delivery method defined the strata to ensure adequate representation of traditional and non-traditional students within the sample. Data were gathered via questionnaires. Participating students were given verbal instructions in addition to the printed instructions on the questionnaire. A total of 572 questionnaires were distributed with 18 questionnaires disqualified due to overlap, resulting in 554 usable questionnaires.

The questionnaire contained two parts. Part I was designed to obtain demographic information

on age and educational delivery method. Part I also contained a qualifying question as to whether the respondent had previously completed the questionnaire. Part II was designed to measure the respondent's level of motivation to seek a college degree. Thirty-three motivational variables were developed from the literature as well as from focus groups of both traditional and non-traditional Christian business students. Motivation for each item was self-reported by the respondent using a Likert-type scale (1 = not motivating, 5 = very motivating).

The data were examined for outliers and errors and then were statistically analyzed. Measures of central tendency were calculated for both student groups, and the mean score of each motivation item was calculated. A t-test procedure was performed to determine if significant differences existed between the respondent groups for each motivational item. A factor analysis with varimax rotation was performed to interpret the underlying structure of the data set.

Findings

Analysis of the 554 surveys revealed 341 traditional students and 213 non-traditional students.

The traditional students reported a mean age of 19.67 years vs. 36.47 years for the non-traditional students. By calculating the mean score for each motivational item, it became possible to identify the top motivations for each

respondent group (Table 1). From this, both differences and similarities begin to appear. Although both student groups exhibit job-related aspects in their motivations, traditional student motivations tended to be more

Table 1
Highest-Rated Motivations By Respondent Group

Traditional Students	
Motive	M/SD*
To prepare for a career	4.54/.83
Because of the Christian environment	4.37/.99
To become more educated	4.36/.89
To increase earning power	4.33/1.05
For the satisfaction of finishing	4.26/1.04
Leading of the Holy Spirit	4.15/1.16
To prepare for leadership	4.13/1.13
Because of the Christian faculty	4.10/1.03
To increase job prospects	4.07/1.29
Because of the Christian students	3.93/1.08
Non-Traditional Students	
Motive	M/SD*
For the satisfaction of finishing	4.51/.79
To be qualified to change jobs	4.51/.89
To develop a new skill	4.50/.89
To increase job prospects	4.48/.86
To become more educated	4.29/1.01
To increase earning power	4.28/1.11
To prepare for leadership	4.19/1.08
To advance in present job	4.09/1.26
Convenient class times	3.91/1.27
To become more informed	3.84/1.19

*Mean/Standard Deviation

Table 2
Results of T-test for the Difference Between Means of Traditional & Non-Traditional Students

Motive	M ¹	M ²	P
1. Leading of the Spirit	4.15	3.26	.000*
2. Christian learning environment	4.36	3.39	.000*
3. Christian worship services available	3.68	2.08	.000*
4. Degree from Christian university	3.73	2.92	.000*
5. Fellow students are Christian	3.93	2.78	.000*
6. Faculty are Christians	4.10	3.17	.000*
7. Opportunity to make new friends	3.45	2.75	.000*
8. To achieve independence	3.52	3.33	.224
9. To be qualified to change jobs	3.53	4.50	.000*
10. To develop a new skill	3.92	4.50	.000*
11. To advance in present job	2.27	4.08	.000*
12. To increase job security	2.02	3.70	.000*
13. Dissatisfied with present job	2.33	3.04	.000*
14. To improve job prospects	4.06	4.47	.002*
15. Satisfaction of obtaining degree	4.26	4.51	.013**
16. To increase earning power	4.32	4.28	.720
17. To increase self-esteem	3.31	3.81	.001*
18. Degree is required by employer	1.66	1.54	.337
19. To prepare for community service	2.63	2.31	.036**
20. To become better informed	3.83	3.83	.969
21. To become more educated	4.35	4.29	.561
22. Just for the sake of learning	2.94	3.18	.116
23. Personal interest in subject matter	3.74	3.70	.762
24. To be with friends	2.41	1.94	.001*
25. To satisfy parents	2.47	1.53	.000*
26. To prepare for a career	4.54	3.58	.000*
27. To develop leadership qualities	4.12	4.19	.577
28. Because university is convenient	2.08	3.39	.000*
29. Because class times are convenient	1.82	3.91	.000*
30. Participate in extracurricular activities	2.50	1.66	.000*
31. Specific type of program is available	2.87	3.76	.000*
32. Tuition is affordable	2.02	2.30	.081
33. Scholarships are available	2.77	1.59	.000*

M¹ - Mean response of traditional students
M² - Mean response of non-traditional students
** - Significant at the .05 level
* - Significant at the .01 level

vague and career preparatory, whereas non-traditional student motivations tended to be more job-specific. In addition, traditional students tend to be more motivated by the spiritual profile of the university than non-traditional students.

Independent t-tests were used to test for significant differences between the respondent groups (Table 2). Traditional students were significantly more motivated than non-traditional students in four general areas—the spiritual aspects of the university (motives 1-6), social reasons (motives 7, 24, 25), career preparation (motives 19, 26), and the opportunity to pursue academic or athletic extracurricular activities (motive 30, 33). Non-traditional students were more significantly motivated for work/career-related reasons (motives 9-15, 17) as well as program availability (motives 28, 29, 31). Thus, enough evidence is present to reject both the hypothesis that secular motivations do not differ across student groups and the hypothesis that spiritual motivations do not differ across student groups.

A principal components factor analysis with varimax rotation was performed to interpret the

underlying structure of the data set. This type of analysis looks for correlations between the motivation questions and then classifies or groups together those questions which are highly correlated. The resulting classes of questions are then combined into individual factors.

This reduces the data set to a smaller number of motivational factors which are named to broadly describe the questions which make up the class. The importance of a factor in explaining the motivations of students is determined by the amount of variability in the data that is explained by the factor (i.e., the more variability explained by a factor, the better that factor is in explaining the motivation of students). Table 3 (on following page) shows that among the non-traditional students (n = 212), the analysis identified 10 distinct factors that accounted for 74.8 percent of the variance.

The Spiritual Development factor accounted for the largest percent of the variance (22.4 percent), which shows that spiritual motivations have a significant impact on non-traditional students. This finding is significant in that while this accounts for the largest percent of

the variance, spiritual motivations were not ranked as high when looking at overall mean scores (Table 1). We believe this may be the effect of the denominational differences among the university samples. That is, while respondents from one university rated spiritual motivations highly, the others did not rate those

motivations as highly. The net effect is a factor emerges, but it is not significantly large enough to skew the mean scores. The second factor, Family/Social Structure, describes those respondents who have a dual motivation. First, they seek to fulfill their delayed obligation to their parent to complete college.

Second, they are motivated to be with their peers in a similar situation. The third factor, Job Dissatisfaction, describes those respondents who have such a high level of dissatisfaction in their current job as to want to obtain a degree in order to be qualified to change jobs. The Lifetime Learners are represented in factor four. These respondents value education and learning just for the sake of learning. The fifth factor describes those students who for various reasons are seeking to live a second college career. These students (such as divorcees or work force reentrants) place a high value on scholarship opportunities and extracurricular activities, as well as the potential to increase their self-esteem. Respondents who pursue a degree simply because it is offered at convenient times or places are described by factor six, Convenience Learners. Factor seven, Career Track Development, describes respondents who wish to increase their job security and promote career advancement by completing a degree. Closely related to Career Track Development is factor eight, Skill Development. These respondents wish to increase their leadership abilities by increasing their skill

base. Factor nine, Cost-Oriented Learners, seek to complete a degree simply because the cost is affordable. These students may be receiving tuition subsidies from family members or their employers. The final factor represents those students who seek the independence that a college degree provides, but they are negatively disposed to learning.

The results of a factor analysis performed on the responses of traditional students again showed 10 distinct factors (Table 4 on following page) accounting for 71.3 percent of the variance.

The factor accounting for the largest percentage of the variance was again Spiritual Development. An interesting finding is that, while this is the largest factor in both student groups, the mean ratings of spiritual motivations were very different across both groups. Traditional students rated spiritual motivations high, while non-traditional students rated spiritual motivations low. This may be an effect of the interuniversity sample. That is, one campus' non-traditional students rated spiritual motivations significantly higher than parallel students on other campuses. The rating was high

Table 3
Factor Loadings for Non-Traditional Student Motivations

Factor (Percent of variance)	Load	Factor (Percent of variance)	Load
Spiritual Development (22.4)		Second College Career (6.0)	
Christian Environment	.91	Extracurricular Activities	.74
Christian Faculty	.90	Scholarships are Available	.79
Leading of the Spirit	.75	Increase Self-Esteem	.51
Christian Students	.78		
Christian University	.85	Convenience Learner (5.1)	
Worship Services	.58	Convenient Class Times	.89
		Convenient Location	.85
Social Structure (10.9)		Career Track Development (4.1)	
Community Service	.58	To Advance in Present Job	.83
To Make New Friends	.67	To Increase Job Security	.91
To Satisfy Parents	.85		
To Be With Friends	.60	Skill Development (3.8)	
		To Learn a New Skill	.74
Job Dissatisfaction (9.7)		Develop Leadership Qualities	.57
To Change Jobs	.67		
Dissatisfied with Job	.73	Because it was Cheap (3.3)	
To Increase Earning Power	.78	Tuition was Affordable	.72
To Increase Job Prospects	.85	Satisfaction of Finishing	-.56
Lifetime Learner (6.5)		To be Independent (3.1)	
To Become More Educated	.85	To Become Independent	.73
To Become More Informed	.80	Just for the Sake of Learning	-.51
Personal Interest in Subject	.59		
Just for the Sake of Learning	.62		

NOTE: Variables that did not significantly load were omitted from this table.

enough to produce a factor, but not so high as to positively skew the overall mean.

The second factor, Renaissance Individual, describes those students who put a high intrinsic value on the education itself. This value is shared by many Christian colleges and

universities that emphasize a “whole person” educational philosophy. Respondents in this area place a high value on being educated and well-informed and learning for the sake of learning. The third factor, Employed Traditionals/Extrinsic, represents students who are employed and

seek to gain a degree because they are extrinsically motivated by potential career advancement or job security offers from their company. A fourth factor, Value Justified, represents those respondents who, in their struggle to define themselves, are beginning to perceive the value that society places on a college degree. Thus, they perceive that if they want to be valued in society, they need to get a degree in order to get a job, earn more, and feel good about themselves. The next factor, Employed Traditionals/Intrinsic, is similar to Employed Traditionals/Extrinsic. However, whereas Employed Traditionals/Extrinsic are extrinsically motivated by employer enrichments, Employed Traditionals/Intrinsic seem to have a much stronger internal locus of control. They feel that if they learn a new skill, they will become more independent, thus increasing their ability to actively manage their job prospects. The sixth factor represents Local Residents. These respondents attend because of the convenience of the campus and/or the class times. The seventh factor, Academic All-Stars, represents students who are on academic scholarship because of a high GPA or a high score on the

entrance exam (ACT, SAT). The eighth factor, Social Stars, represents the common social need prevalent among students. They seek the community and social structure that a college atmosphere provides in order to feel fulfilled. The ninth factor, Parent/Student Partners, are attending because of both parental influence and individual interest in their particular academic program. There is likely a high degree of interaction between the student and his/her parents as to the appropriate major, course load, and grades. The final factor, Future Leaders, had only one factor loading—to prepare for leadership. This represents those students who attend because they want to use the college experience as a pathway to maturity. In essence, they want to “grow up.” They look to the structured, demanding atmosphere of the college classroom as a transformation process that increases their ability to handle life’s situations.

Discussion

This research shows that traditional and non-traditional student groups have different motives that challenge them in their pursuit of a college degree at a Christian college or university.

Table 4
Factor Loadings for Traditional Student Motivations

Factor (Percent of variance)	Load	Factor (Percent of variance)	Load
Spiritual Development (17.3)		Employed/Intrinsic (5.6)	
Christian Environment	.81	To Change Jobs	.75
Christian Faculty	.79	To Achieve Independence	.51
Leading of the Spirit	.65	Develop a New Skill	.55
Christian Students	.73		
Christian University	.84	Local Residents (4.8)	
Worship Services	.74	Convenient Class Times	.65
		Convenient Location	.77
Renaissance Individual (13.3)		Academic All-Stars (4.0)	
Community Service	.61	Academic Program Offered	.60
Become Educated	.73	Affordable Tuition	.70
Become Informed	.83	Scholarship Available	.74
Personal Interest	.64		
Sake of Learning	.65	Social Stars (3.4)	
Employed/Extrinsic (9.5)		To Make New Friends	.85
Advance in Present Job	.87	To Be With Friends	.65
Increase Job Security	.85		
Required by Employer	.61	Parent/Student Agreement (3.2)	
		Academic Program Offered	.55
Value Justified (7.3)		Interest in Subject	.50
Increase Earning Power	.66	To Satisfy Parents	.77
Increase Job Prospects	.74		
Satisfaction of Finishing	.79	Future Leaders (3.0)	
Increase Self-Esteem	.60	Develop Leadership Qualities	.68

NOTE: Variables that did not significantly load were omitted from this table.

Further, the groups are not homogeneous. Each group contains several factors of students that have unique motivations. Therefore, it is impossible to create a specific, standardized profile of the needs of the "typical" traditional or non-traditional student. However, when speaking in generalities, the findings of Cross (1981) seem to be confirmed in that traditional students seem to be generally interested in education for career preparation or upward career mobility. In contrast, non-traditional students with a good job want to obtain a degree because of the increased job security and advancement opportunities the degree can provide. Non-traditional students without a good job are motivated toward education as a way to expand their career options. Both a means test and a factor analysis revealed that non-traditional students have a more well-defined motivational base for pursuing a degree in that they want to apply the degree to their respective career path. Thus, it becomes incumbent on the professor to adopt a pragmatic androgogical approach when instructing non-traditional students.

Both traditional and non-traditional Christian business

students seem likely to pursue a college degree for multiple reasons rather than just one. However, a Christian college or university with a one-size-fits-all marketing plan will neither maximize their marketing dollars nor effectively capitalize on the rapidly-growing non-traditional educational trend. Traditional students will best be recruited by emphasizing the spiritual focus/activities the college provides, the Christian learning atmosphere, and the applicability of the business program to a future career path. Non-traditional students, however, will best be recruited by emphasizing the spiritual value-oriented educational atmosphere in which students interact both personally and professionally. Also, non-traditional students will react favorably to a skill-building (pragmatic) educational approach that directly meets their needs. Colleges which offer non-traditional programs can further differentiate themselves from the competition by offering a convenient format for both classes (e.g., compressed, online, satellite classroom centers) and class times.

In conclusion, the new millennium will bring continual change and paradigm shifts in the

field of higher education.

The target market for Christian colleges and universities will become more fragmented with the passage of time. These institutions have a unique opportunity to proactively design programs and curricula that meet the needs of a changing market in order to maximize the number of people they encourage and win for Christ.

Limitations and Recommendations

The generalizability of this study may be limited due to the religious background of the schools from which the sample was taken. There is a broad diversity of denominational backgrounds within the membership of the Council of Christian Colleges and Universities. Therefore, definitive conclusions reached about the spiritual motivations of all CCCU students would be further validated via further research that utilizes a sample that is representative of the denominational diversity of the CCCU. Also, sex of the respondent, as a demographic variable, was neither gathered nor tested. Therefore, differences based upon the sex of respondents cannot be determined.

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Dialogue III

A Response to "Marketing in the New Millennium: Motivational Differences Between Traditional and Non-Traditional Christian Business Students"

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The research of Andrews, Roller, and Baker has provided a very insightful profile of the different motivations of traditional and non-traditional students at Christian colleges. Their findings conclude that "Traditional students were significantly more motivated than non-traditional students in four general areas—the spiritual aspects of the university, social reasons, career preparation, and the opportunity to pursue academic or athletic extracurricular activities. Non-traditional students were more significantly motivated for work/career-related reasons as well as program availability."

Surely these insights will assist discerning administrators in developing academic programs which will meet the needs of these two student groups more effectively. However, with regard to marketing programs, one should exercise a measure of

caution since it is unlikely that the student profiles are independent of existing marketing programs. Rather, it is likely that differences in current programs to recruit traditional and non-traditional students account for some of the more interesting motivational differences. In particular I would argue that traditional students are more concerned about the "spiritual aspects of the university" than non-traditional students because of intentional differences in the selection/self-selection processes used for the two groups.

Many of the differences noted in the study can be reasonably attributed to underlying demographic and community factors. For example, young people resident on campus could be expected to be much more concerned about social structure and extracurricular activities than older commuting students who are resident in off-campus family

structures and existing non-academic communities. Further, as recognized in the paper, older students with existing careers would be expected to have rather specific concrete goals with regard to skill acquisition and career enhancement as compared to younger students with limited work experience.

However, the significantly greater importance of Christian values and community to traditional students can only be explained by differential marketing programs.

Most Christian universities and colleges work hard to recruit traditional students who appreciate the Christian distinctives of the school and who are most likely to benefit from them. Regional/national advertising spelling out the Christian distinctives of the school is targeted to the Christian community using Christian media, denominational networks, visits to Christian high schools, and use of selective mailing lists. Contrariwise, non-traditional students are of necessity drawn from a limited pool of local prospects, and the marketing approach is largely secularized to attract the broader range of students required to meet enrollment objectives.

Statements of faith, community covenants, and mandatory chapel frequently required of traditional students are often waived for non-traditional students. Hence, different selection criteria and more Christian vs. more secular programmatic postures leading to differential self-selection would seem to account for the differences in spiritual motives.

In conclusion then, I would argue that one must carefully distinguish between cause and effect. Differential marketing programs *cause* many of the differences noted in the Andrews, Roller, and Baker paper. Hence, one should not use the differences in motives to justify differential marketing programs which have already produced the differences in spiritual motives. In fact, I suspect that most Christian schools with non-traditional programs have intentionally used a multi-segment approach with different marketing mixes because they have concluded that the pool of non-traditional students who would respond positively to the Christian distinctives of the school lacks the substantiality required to make the programs successful. Andrews, Roller, and Baker are correct when they argue against a “one-size-fits-all marketing plan”

based upon those differential motives which result from the underlying demographic, community, and life experience factors which distinguish traditional and non-traditional student groups. However, it is hard to see how differences in Christian commitment could be inherent traits of the two groups except through the discrimination of differential marketing filters. The authors seem to have ignored this point.

JBIB

Dialogue III

Comments about “Marketing in the New Millennium: Motivational Differences Between Traditional and Non-Traditional Christian Business Students”

David L. Skinner
Mount Vernon Nazarene College

Distinguishing between the motivations of traditional and non-traditional students is crucial to the marketing of a college that tries to serve both. For Christian colleges, the task takes on an additional dimension. The Andrews, Roller, and Baker (ARB) study is a significant and useful attempt to distinguish motivations. Its results will need to be replicated and expanded in order to be generalized, but they are in agreement with the anecdotal evidence I have observed over 20-some years of teaching both groups.

In the first paragraph of the introduction, ARB state that “More and more employees are finding themselves out of work” I realize they are drawing from Munk, but unemployment is currently at a record low. The news media continually harp on the layoffs at large, mature firms, but new jobs at growing firms are

more than offsetting those layoffs. If “more and more” were replaced by “many,” I think the point would be better and more accurately expressed.

The remainder of the same sentence suggests that many non-traditional students are returning to school while out of work. My experience may be unique, but of more than a thousand non-traditionals I have taught, only a handful have been involuntarily out of work, and most of those were on disability. The vast majority of students were full-time employees, although some were house spouses preparing to return to the work force.

At the beginning of the “Research Design and Methodology” section, ARB refer to “Christian business students.” Nowhere did I detect any effort to determine the students’ spiritual status. There is an obvious difference between “business

students at a Christian college” and “Christian business students.” Did the authors ask the students how they classified themselves? If it was an anonymous instrument, that could have been done. Is it possible that the traditional students come (or are sent) some distance *because* of the college’s spiritual character, while the non-traditional students come because the college is close, convenient, offers the program desired, etc. *in spite of* the college’s spiritual character? If such a difference exists, a “born again” variable might provide more explanatory power than any collection of other variables.

The remaining comments are of a statistical nature. A given student (or group of students) may consistently answer a set of Likert questions with a high or low bias. If that bias is systematic between the groups tested, it might influence results. The difference between a student’s response on a given question and his or her average response on the set of questions could be used in the statistical tests to eliminate that bias.

A small but significant error in statistical reasoning appears in the last sentence before the “Student Motivations” section.

Age and teaching methodology were the dichotomous, independent variables. ARB state that “As expected, the two variables were closely related ($t = -25.55$; $p = .000$).” Since the students were categorized on the basis of these variables, it is not meaningful to run a statistical test on their correlation.

No mention is made of whether the univariate difference tests are one-tailed or two-tailed. The text refers regularly to “differences,” so I presume that the t-tests are two-tailed. However, since the literature that is referenced suggests a directional pattern, one-tailed tests might be appropriate. The article should indicate which is the case.

Overall, I found the paper to be a useful and thought-provoking addition to the Christian college literature.

JBIB

Dialogue III

Marketing in the New Millenium: Revisiting Mission

Yvonne Smith
Biola University

An extensive literature indicates that traditional and non-traditional students have different motivations for pursuing a college degree. The surprising finding of the study conducted by Andrews, Roller, and Baker was that the difference extends even to spiritual motivations. Non-traditional business students attending a Christian college did not appear to be motivated by the Christian environment, faculty, peers, content, or the leading of the Holy Spirit. At least three reasons for this immediately spring to mind:

- Non-traditional students are less mature Christians.
- Students experienced in business feel that Christianity is not relevant to their business education.
- The students in the sample did not perceive the college they were entering as Christian.

As a business professor in a Christian university, I am disturbed by this finding.

The strategic reason for the existence of the schools in the Council of Christian Colleges and Universities is focused differentiation¹—focus on students who want to approach education from the Christian perspective and differentiation in providing an education that integrates Christian values with subject matter. If large numbers of students are entering our colleges without understanding that Christ is directly relevant to the subject they are studying, our competitive advantage is being diffused.

Interestingly, the authors attribute the disparity in spiritual motivations to the interuniversity sample:

One campus' non-traditional students rated spiritual motivations significantly higher than parallel students on other campuses. The rating was high enough to produce a factor, but not so high as to positively skew the overall mean.²

One interpretation of this could be that the results were not necessarily a function of the age, life stage, or Christian maturity of the student, but were rather a function of the program the student was considering. That is, the students did not perceive the nature of the program they were entering as overtly Christian. Whatever the religious affiliation of the university, if the program does not demand spiritual input from the student, it would follow that more individuals who were not interested in spiritual issues in their education would enter that program.

Anyone involved in program development at a Christian college or university knows that in terms of marketing non-traditional programs, the questions become difficult. Should the non-traditional programs have the same spiritual requirements as the traditional programs? For example, should evening students be required to take the same number of Bible credits as day students? Should they be required to attend chapel? Must students be Christians in order to enter the non-traditional business degree? Must all the professors be Christian? For example, is it necessary to hire Christians to

teach finance or accounting classes?

Programs for non-traditional students tend to create new resources for institutions, and the temptation is great to not limit the potential student base by requiring the same level of original Christian commitment as students in traditional programs. Open enrollment brings in more students. Furthermore, non-traditional students are known to be more pragmatic than traditional ones. They tend to find extensive Bible or general education requirements prohibitive; they do not want to pay for or spend the time taking the “extra” credits. It is very tempting to minimize the requirements in order to maximize the number of students in the program. This is simply good marketing.

Nevertheless, marketing tactics should, rightly, depend on the mission and the competitive strategy of the institution. In other words, the starting point of any marketing endeavor is to define the business. Abell's framework, for example, suggests that the competitive advantage of an organization exists at the overlap of the three questions: Who are our customers? What are their needs? What distinctive

competencies do we have that will meet the needs?³ Therefore, any discussion on marketing to students must necessarily come back to the basic questions: Who are our customers? What do they want from us? What is our mission?

A trend in some CCCU schools is to consider the student as the customer. The mission can then be characterized as the desire to give the student a quality education (excellent thinking and technical skills), coupled with moral and character content. I disagree. I submit that the customer of the Council of Christian Colleges and Universities is the Church of Jesus Christ, universal. The Christian college or university is an arm of the Christian church. This statement is not without controversy, though it is beyond the scope of this paper to defend. For an extensive discussion of the issue, see Marsden, 1994; Milton, 1957 [1644]; Neuhaus, 1998; Noll, 1994; and Packer, J., 1998. Please note that I am not arguing that Christian colleges must be tied to a denomination, nor am I assuming that every Christian sees the need for higher education. Nevertheless, the Christian college and university is

the arena used by the church to train Christians in the life of the mind.⁴ Its customer is the church.

The purpose of the universal church, as commanded by the Head,⁵ is to preach the gospel to everyone and teach them to observe all of His commands.⁶ As an arm of the church, the ultimate purpose of the Christian university is to further the kingdom of Jesus Christ. If the Christian college or university exists only to educate students in a moral atmosphere, it does not fulfill its mission.

How can a Christian university further the Kingdom? If the history of the church is reviewed, we see that the gospel prospers when Christians (1) live a life that others want to emulate, and (2) can articulate the faith according to the intellectual standards of the day.⁷

Therefore, I submit that the purpose of the Christian university is threefold:

1. To create godly character in the student. This is the argument of John Milton when he said:

The end then of learning is to repair the ruins of our first parents by regaining to know God aright ... to be like him, as we

*may the nearest by possessing our souls of true virtue.*⁸

Milton's argument goes much further than developing a moral person who treats others properly. In his view, we and our students should be continually striving to know God correctly, to become like Christ⁹—a much more complex matter. We are commanded to love as God loved,¹⁰ to be holy as He is holy,¹¹ to have the same submissive attitude as Christ Jesus.¹² This goes far beyond kindness, ethics, and integrity; becoming like Christ can lead individuals into unpredictable areas where only the omniscience of the Holy Spirit can guide. These are the qualities the Christian college or university should be systematically *and overtly* training in students.

2. To educate students in the Christian tradition of truth.

Richard John Neuhaus notes that “a Christian university is one in which all roles are defined by reference to a Christian understanding of truth that the university is to serve.”¹³ In this perspective, the college that is Christian focuses all endeavors, from corporate worship to administration, to the improvement of the mind in the

pursuit of Truth, in the Christian sense of the word. Christ is the Truth; all intellectual truth streams from that supreme source.¹⁴ Of course, this statement is in profound disagreement with the current philosophical thinking prevalent in most academic circles which says that grand narratives of any kind are inimical to the kind of critical inquiry that is the heart and soul of university life.¹⁵ The strategic differentiation of the Christian university is that it formulates critical inquiry from within a specific tradition of Truth. Though traditions may clash with critical thinking, inquiry of the mind is most beneficial when it exists in a relationship of dialectical interdependence with traditions.¹⁶ Critical thinking without framework feeds perpetually upon itself, resulting in mere cleverness at best and skeptical nihilism at worst.¹⁷ Thinking from an assumption of Truth frees the mind as well as the spirit. In the words of Jesus Christ, “If you continue in My word ... you will know the truth, and the truth will set you free.”¹⁸

3. To create scholars that can articulate the faith according to the intellectual standards of the day. The Christian university is the arm of

the church entrusted with training Christians to viably articulate the faith in response to the intellectual challenges of society. Regretfully, most evangelical churches have not equipped their members to address major intellectual issues.¹⁹ The Christian university must, by default, address the task.

To meet the intellectual challenge, Christian scholars must have expertise in certain areas. They must understand their field of study, including the underlying assumptions and the historic ramifications. They must also have a deep understanding of the Word of God. They must be able to integrate the two in ways that are intellectually viable. They must be able to articulate their understanding.

What then must the college or university that is Christian do to fulfill its mission? It must create an atmosphere that perpetrates the Christian life in all the profound complexities involved and also perpetrates intellectual plausibility. An ethical lifestyle might be envied, but it will not transcend the intellectual barriers. It is the responsibility of the Christian university to teach its students to articulate the faith as well as live by faith. This requires much more than merely

maintaining a moral atmosphere. It is critical for students at Christian universities to study the Bible, the church, and apologetics. The Christian college that requires its students take only a few general survey Bible courses is missing the main point of its existence. The purpose of the Christian university is not to merely give the student basic life skills. It is to give the Christian student an education that is distinctly different from the one they would have in a secular university, one that acknowledges the complexities of growing into the image of Christ, one that builds on the Truth of the Christian tradition, one that integrates God's Truth into every aspect of intellectual inquiry. Only then is the mission of the Christian college or university fulfilled.

Of course, all this is worked out in the "real world." Marketing to potential students is a reality, as is program development. Christian colleges, like Christian churches, focus on slightly different niche markets. Students are at different stages in their spiritual and life journey. Nevertheless, if a particular non-traditional business program consistently attracts a majority of students whose primary

motivation is not spiritual, it violates the mission of the Christian college.

The paper by Andrews, Roller, and Baker provides a valuable service by pointing out a potential problem. If non-traditional students do not have spiritual motivations for attending a business program at a Christian college or university, some remedial work needs to be done. The finding may be a function of the structure of the program, in which case the program should be changed. It may be a function of the students. Non-traditional business students at one university did have strong spiritual motivations; possibly that program can be studied to see what that institution is doing correctly. Whatever the issue, marketing to any student population must be a matter of revisiting the mission. Our main question should not be, "What sells?" Rather it should be, "What is our mission and what does Christ want us to do?"

ENDNOTES

- ¹Porter, Michael, 1980.
- ²Andrews, Roller, & Baker, 1999.
- ³Paraphrased from Abell, D.F., 1980.
- ⁴Noll, 1994, pp. 41-55.
- ⁵Colossians 1:18.
- ⁶Matthew 28:19, 20.
- ⁷A good historical discussion of this can be

- found in Bloom, John, 1998.
- ⁸Milton, 1957 [1644].
- ⁹Ephesians 4:15.
- ¹⁰I John 4:7-21.
- ¹¹Peter 1:13-16.
- ¹²Philippians 2:5-13.
- ¹³Neuhaus, 1998.
- ¹⁴Holmes, Arthur F., 1977.
- ¹⁵Natoli, 1997, p. 9.
- ¹⁶Schwehn, Mark R., 1999.
- ¹⁷Ibid.
- ¹⁸John 8:31, 32.
- ¹⁹Noll, 1994.

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Dialogue IV

Organizational Control Through Trust: A Biblical System?

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Smith explores the roles of trust and trustworthiness in the hierarchy and culture of business.

Abstract

The concept of using trust as an organizational control system is in great favor today in the business literature. Since trust is an essentially Christian concept, it is tempting to think that this system of control is good, or godly, by its nature. This paper explores the concept of trust as a control mechanism to see if this is a warranted assumption. First, biblical trust is examined, and then it is compared to interpersonal and interorganizational trust as it is dealt with in the management, psychology, and sociology literature. It is determined in the discussion that, by its nature, trust is built upon belief, and this is common between biblical trust and trust used in an organization. However, biblical trust is based in a belief in the truth. There is no guarantee that organizational trust will be based on a belief system

that is true or beneficial to those who believe, or to others they encounter. Therefore, it is possible that organizational trust could be used in a manipulative or even coercive manner. This leaves us with two conclusions which will affect Christian business teaching in the future. First, some organizations will seek to use belief which acknowledges truth (or at least a traditional or conservative value set), and they will need trustworthy employees. Christian employees should be highly desirable in this setting, providing an opportunity for Christian higher-education institutions who seize it. Second, there will be organizations that seek to build trust on non-biblical belief systems, and our Christian students will need to be able to discern between these organizations and those in the first case.

Introduction

Trust is an important lubricant of a social system. It is extremely efficient; it saves a lot of trouble to have a fair degree of reliance on other people's word. Unfortunately this is not a commodity which can be bought very easily. If you have to buy it, you already have some doubts about what you've bought (Arrow, 1974, p. 23).

The field of management has long sought for the most cost-effective ways to provide adequate control mechanisms within organizational processes. The basic problem is that an organization needs to act as a single entity, but it is made up of many individuals. The primary task of management is to get the many individuals with their individual tasks to act in unity. Over the years, numerous theories have been put forth regarding this issue. Perhaps the best known theory of control is Weber's (1947) theory of bureaucracy. Weber explained how control could flow down from the apex of an organization through a hierarchical, authority-based structure in order to assure compliance to a single set of objectives throughout the organization.

Later, the theory of transaction cost economics (Williamson, 1975) was proposed to explain the cost trade-offs between pure market transactions vs. bringing the transactions under the control of organizational bureaucracy. The key element of transaction cost economics is that firms have two choices. They can either contract in the open market for the goods or services required or produce what they need internally, depending upon which of these is least costly. If the firm contracts in the open market, control comes from the terms of the contract, and the legal system is the potentially coercive "enforcer" of the contract terms. Conversely, if the firm chooses to produce goods or services internally, control comes through the bureaucratic authority structure of the firm.

In more recent years, some management theorists have questioned the conclusions of transaction cost economics. Both Smitka (1989) and Bradach and Eccles (1989) have argued that there is a third option to transaction cost's choices of market or hierarchy. The third option is to use trust to control the transaction. When contracting in the open market, the existence

of trust between the parties allows for a less comprehensive contract or, in some cases, no formal contract at all. Within the firm, the existence of trust diminishes the need for strict hierarchies and authority structures. The use of complex contracts is very expensive. Moreover, the perfect contract can never be created (Beale & Dugdale, 1975; MacNeil, 1978). Comprehensive hierarchy/authority structures are also extremely expensive, requiring multiple layers of management with literally everyone checking up on everyone else. For this reason, the approach also tends to be resisted by employees (Raven & Kruglanski, 1970). On the other hand, as reflected in the Kenneth Arrow quote that began this article, trust is an extremely low cost control mechanism. For this reason, Wilkins and Ouchi (1987) go so far as to conclude that transaction costs only come into play in situations where trust doesn't exist.

Cost is not the only reason to consider trust as the control mechanism of choice. Trust is increasingly seen as the only feasible organizational control

mechanism that will bear up under the modern requirements of speedy decision-making and rapid change in a global economy.

... trust [is] the control mechanism of choice.

As early as 1970, Argyris pointed out that change will be resisted in an organization that

is "low in openness, trust, and risk-taking" (Argyris, 1970, p. 70). More recently, numerous management theories from management by objectives to total quality management and reengineering all propose more efficient operations through empowerment of employees, which requires some level of preexisting trust (Scott, 1980). Moreover, an organization-wide reliance upon a network of trust is so necessary today that it is considered to be a fundamental requirement for any organization facing a global economy (Bartlett & Ghoshal, 1995).

So, there are two overriding reasons why managements are currently attempting to build networks of trust relationships within their organizations. The first of these is based in lowered cost structures, while the second is based in time and change dynamics. Because of this, the field of management has

seen a fresh surge of interest in the trust concept, as is indicated by the fact that two of the premier management journals have recently devoted special issues to the subjects (Special Research Forum: Intra and Interorganizational Cooperation, 1995; Special Topic Forum on Trust in and Between Organizations, 1998). At the risk of being overly zealous, I would suggest that trust in and between organizations will continue to be a central management topic well into the 21st century.

Christians and Trust

As Christian business teachers, we need to understand and convey to our students the changes in the marketplace that will affect them, especially where those changes will particularly impact Christians. As Christians, an increased emphasis upon trust in the marketplace is of special importance, since we should have an advantage in turning out graduates with strong propensities toward the use of trust and strong abilities in the area of trust building.

There is, in fact, some evidence that this change in the marketplace is already happening. In 1990, and again in 1997, Robert Half International Inc.

asked executives the question, "Other than the ability and willingness to do the job, what is the one quality that impresses you the most about a candidate during a job interview?" In 1990, the number one answer was "Verbal Skills." In 1997, the number one answer (32 percent) was "Honesty/Integrity" ("Honesty Counts," 1997). As we will see later in this paper, a person's honesty and integrity are particularly important when we are choosing whether or not to trust them.

Trust is a Christian Concept

It is important to understand that the world chooses to use a Christian concept when it relies upon trust. The evidence for this is clear. First, God chose the mechanism of trust as the "trigger" to unleash His power for our salvation. We find this teaching throughout the gospels. For instance, Jesus, speaking of Himself in John 12:36, says, "Put your trust in the light while you have it, so that you may become sons of light." Secondly, God's desire for us to "be conformed to the likeness of his Son" (Romans 8:29) is accomplished through trust in Him also (e.g., II Thessalonians 1:11).

When the world appropriates what is essentially a Christian concept, we need to be wary. It is tempting to assume the world is learning to follow God's methods, and occasionally that may be true. However, Satan has proven to be very adept at twisting biblical principles, "And no wonder, for Satan himself masquerades as an angel of light" (II Corinthians 11:14). Before examining what the world, through management theory, has to say about trust, it makes sense to examine trust as God created it for His purposes in salvation and discipleship.

The Biblical Concept of Trust

The Greek and Hebrew words that most often get translated as *trust* in our English Bibles are also translated in other places as the English words *faith* and *belief*. This connection between *trust*, *faith*, and *belief* is often lost in our modern usage.

Trust in the Old Testament

In the Old Testament, three Hebrew words are often translated into English as *trust*. The first of these words is '*aman*, which means "to be firm; to endure, be faithful, be true, trust;" or "believe" (Strong, 1989; Vine, 1985). The second word is '*emunah*, which is defined as

"firmness," "faithfulness," "truth," or "honesty" (Strong, 1989; Vine, 1985). Finally, the word '*emet* is translated most often as "truth," "right," or "faithful" (Strong, 1989; Vine, 1985). These words get translated somewhat interchangeably depending upon their context.

For example, in three different Old Testament passages from the New International Version of the Bible, the word '*aman* is translated three different ways. The translated word is shown in italics.

Genesis 15:6 Abram *believed* the LORD, and he credited it to him as righteousness.

Exodus 14:31 And when the Israelites saw the great power the LORD displayed against the Egyptians, the people feared the LORD and put their *trust* in him and in Moses his servant.

Numbers 12:7 But this is not true of my servant Moses; he is *faithful* in all my house.

Therefore, the three English words *faith*, *belief*, and *trust*, are all closely linked to a single idea in the Old Testament Scriptures. This concept is important for our understanding of God's use of

trust. We find in the Scriptures that belief is never to be haphazard—it is to be based in the truth, which is embodied in God. To believe in God and His message means that we have faith in His faithfulness. Because we believe in God and have a relationship with Him, we can trust Him who is ultimately trustworthy. We will therefore act upon our belief, and the actions based in belief in God’s faithfulness are the actions that are commonly labeled as *trusting*.

Trust in the New Testament

There are also three Greek words found in the New Testament that most often convey the idea of trust. As with the Hebrew, these three words most often are translated as *faith*, *belief*, or *trust*. The first word is the root verb *peitho*. It is most often translated as “trust,” and means “to have confidence in,” or “to be persuaded” (Strong, 1989). The second word is *pistis*, and is most often translated as “faith,” meaning “firm persuasion.” *Pistis* is drawn from *peitho* and is always used in the Scriptures as “faith in God or Christ or things spiritual” (Vine, 1985).

The third word is *pisteuo* and is most often translated as “believe.” It is drawn from the

word *pistis* and means “‘to believe,’ also ‘to be persuaded of,’ and hence, ‘to place confidence in, to trust,’ [signifying], in this sense of the word, reliance upon, not mere credence” (Vine, 1985). *Peitho*, *pistis*, and *pisteuo* share a common root and are aspects of a single concept, as with the three Hebrew words used to indicate trust. Also like the Old Testament words, they are translated somewhat interchangeably, depending upon context. For example, in the following verses the word *pistis* is translated differently in three different passages of the New International Version of the Bible. The translated word is shown in italics.

Romans 3:31 Do we, then, nullify the law by this *faith*? Not at all! Rather, we uphold the law.

Titus 2:10 ... and not to steal from them, but to show that they can be fully *trusted*, so that in every way they will make the teaching about God our Savior attractive.

Romans 14:22 So whatever you *believe* about these things keep between yourself and God. Blessed is the man who does not

condemn himself by what he approves.

Trust in Modern English

The connection between the concepts of trust, faith, and belief makes sense in modern speech as well. To say “I believe you” could normally be substituted for “I trust you” or “I have faith in you.” However, in scholarly work (and particularly in the field of management), this connection has been uncoupled through redefining the terms in the academic literature.

Trust researchers have by and large consciously discarded the idea of faith having anything to do with trust, relegating it purely to the realms of religion, saying that faith is involved in the act of trusting only when there is no evidence upon which to base the trust (e.g., Lewis & Weigert, 1985). While trust researchers do normally acknowledge the requirement of belief in the act of trusting, belief has been generally redefined in the social sciences to mean “existential propositions” (Beyer, 1981) or simply an attitude or opinion (Chaplin, 1985). The concept of trust being embedded in a relationship has therefore been changed in our day to the point where we commonly discuss trusting a man-made

system (e.g., “I trust the free market system to appropriately set prices”) or even a piece of machinery (e.g., “I can trust my car to start every morning”).¹ Of course there is nothing particularly wrong with these uses of the word as long as we understand that we are talking about something that is significantly different than interpersonal trust.

The point is that in order to trust someone, you have to believe in them or, said another way, you must have faith in them. Trust, faith, and belief go together. In this paper, therefore, the word *trust* is used to mean the faith/belief/trust concept, and it is assumed to be a primary biblical concept. Trust is an essential element in the biblical explanation of how we, as fallen humans, can be saved from our sin. Trust is the mechanism chosen by God to enable our salvation and to enable our growth in the Christian life. God chose trust on our part as the means for our salvation and growth because we are incapable of saving ourselves or growing ourselves—only His power is sufficient. His power is “unleashed” through trust.² There is substantial scriptural evidence for this relationship.

For one example, consider II Thessalonians 1:11—“... we constantly pray for you, that our God may count you worthy of his calling, and that *by his power* he may fulfill every good purpose of yours and every act *prompted by your faith*” (emphasis mine). Other passages that speak of this relationship include I Corinthians 2:4-5; Colossians 2:8-12; Romans 15:13; and I Peter 1:3-5.

Therefore, it seems reasonable to conclude that the primary purpose of trust—the reason it was created—was as a means for man to be reconciled to God and to have a relationship with Him. If that is so, any organizational benefits to be obtained from trust are purely secondary. Nonetheless, the mechanism of trust—the unleashing of another’s power through our belief in them—is the same whether we are talking about trusting God for our salvation or trusting a subordinate with a work project. Here then is the reason why trust between people is a valuable organizational concept—trust can become a substitute for command (i.e., hierarchical authority.)

... organizational relationships typified by trust ... have substantially less stress.

As Riker comments, “Trust is, in some sense, an alternative to power. One can coerce other people to bring about a result one desires or one can trust them to bring about a desired result without coercion” (1974, p. 63). We know that the Old Testament law (an essentially coercive system) was insufficient to provide salvation for mankind, so God provided salvation through trust (faith) in His Son. In the

same way, organizations are attempting to replace the controlling structure of authority and hierarchy (an essentially coercive system) with a network of trust relations. Since creating, maintaining, and using hierarchical authority is expensive and time-consuming, and since it is often resisted by those being controlled by it (Raven & Kruglanski, 1970), the virtue of trust seems self-evident.

The Secular Literature on Trust

Each of the fields of psychology, sociology, and management (particularly in organizational behavior) have a well-developed trust literature. Interestingly, much of this

literature is compatible with the issues of trust just discussed from the Scriptures. Where the literatures are compatible with what we know from Scripture, it may be useful to our understanding of the trust relationship. Subject to Scripture therefore, the following discussion is offered.

Trust Reduces Complexity and Uncertainty

Probably the most complete secular theory of trust has been developed by Luhmann (1979). One of his key insights is that trust has the perceptual effect of reducing the complexity and uncertainty in the world around us. While it is true that some people manage to create their own problems, it is more usual to conclude that much of the complexity and uncertainty in the world is caused by someone else and is, at least partially, under someone else’s control. When person A chooses to trust person B to deal with the future complexity and uncertainty, person A can relax, and his or her perceptions of the future complexities and uncertainties are effectively reduced to a manageable level through the belief in the trusted person. This is why we should not be

surprised that organizational relationships typified by trust, rather than coercive authority and hierarchy, have substantially less stress.

Supporting evidence for this concept comes from Gratton’s (1973) phenomenological study of people’s perceptions of the trust experience. She found that there is a difference in attitude between the moment before trusting and the one after trusting. Respondents called it a “deepening of trust” or a “relief and relaxation.” It created a “closer and more intimate” relationship between the party doing the trusting and the one being trusted (Gratton, 1973, pp. 274-275). Believers can identify with this: the stresses of life are always greatest when we are trying to do things for ourselves instead of giving them over to God and trusting in Him alone.

The Need for Faith

As discussed above, Scripture indicates a close relationship between trust, faith, and belief. That is, an act of trust is based upon a belief or faith in the person being trusted. Unlike most trust researchers, Luhmann (1979) does not relegate faith purely to the domain of religion.

He explains that it is impossible to know the future with certainty, and since all acts of trust are necessarily for something in the future, they all require faith. He does not suggest that faith is believing without evidence, but rather, that it is believing when the evidence is not complete, as it cannot be when dealing with a future event. This view of faith is, of course, compatible with the biblical view, as found in Hebrews 11:1—“Now faith is being sure of what we hope for and certain of what we do not see.”

The Nature of Trust

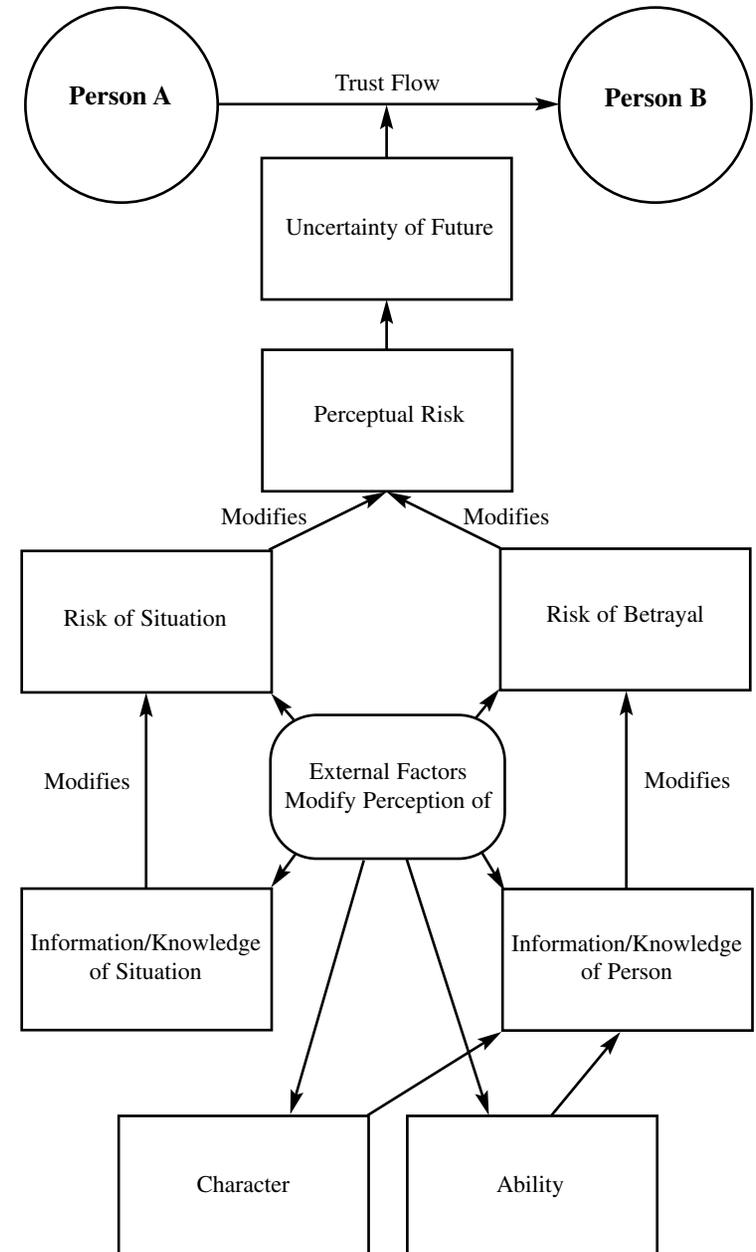
There are several other things that are generally agreed upon in the secular literature. First, the object of trust is some future event. Since the event is in the future, it is (at least perceptually) surrounded by uncertainty, so there is an element of risk attached to it. Since we are not able to control the event ourselves, faith or belief in one or more person(s) who can control the event is required. The faith or belief allows us to trust them to deal with the uncertain event. However, there are several moderating factors that will affect the granting of trust, as well as the level of trust granted.

Therefore, trust depends upon the amount of inherent risk, the information we have as to the event, the information we have as to the person we are considering trusting, the external factors available that affect trust, and the bounding of the trust due to the setting. These moderating factors all act upon the amount of risk perceived to accompany the act of trusting. Figure 1 illustrates the act of trust and the risk modifiers described in the following paragraphs.

Trust is Risky

Luhmann (1979) notes that trust is always concerned with something that will take place in the future. Since we cannot know the future with certainty, we must reason beyond the evidence at hand in order to trust someone. In other words, a person must take a risk to trust. The initial amount of risk is dependent upon what is at stake—that is, the thing that is being trusted for (Kee & Knox, 1970). The question is, what is the worst thing that could transpire if the thing being trusted for does not happen? That is the amount of risk taken. For example, if a father is trying to decide whether to trust his teenager with the family car, the level of financial risk is quite different if

Figure 1
A Diagram of Trust



the car is a new Lexus vs. an old Chevy.³

There are two different perceptual risks attached to the act of trusting that modify the overall risk. The first of these is the risk attached to the situation itself. In the example just used, the risk associated with the situation would be the normal risk of driving any car. That is, your teenager could always be hit by a drunk driver or a tire might fail, etc. However, all of these things could happen to any driver. The second risk is comprised of the chances of a betrayal of your trust by the person you are trusting. In the example just used, that would be the risk that would probably be at the forefront of the father's mind. Both of these perceived risks will act to modify the overall risk perceived by the father.

Informational Risk Modifiers

Both the risk inherent in the situation and the risk of betrayal will be modified by information or knowledge the person has or can find that is pertinent. The information about the situation can reduce (or increase) that perceived risk, but will have no effect upon the risk of betrayal. Likewise, information about the person being trusted can

reduce (or increase) that perceived risk, but will have no effect upon the risk of the situation. The smaller the risk initially, or the more the risk can be mitigated through supportive information and outside forces, the more likely it is that the risk will be taken, and an act of trust will be entered into.

Risk of Situation

Information regarding the situation itself is pretty straightforward to come by—we do it all the time. In fact, the situational information search for a trust situation is identical to informational searches for any decision. At the extreme, this becomes the job of the insurance actuary. The actual purchase of insurance or other external mechanisms used to reduce the risk will be dealt with later on under “External Factors.”

Risk of Betrayal

Information about the person being trusted is obviously much more specific and therefore much harder to come by. The less information available (e.g., the teenager who wants to borrow the car just received his or her license, and we don't know who is going to be with them) or the more information that is negative

to our purpose (this will be left to your own imagination), the higher the risk is perceived to be. The more information available that is in accordance with our purpose (e.g., the teenager has shown maturity beyond his or her years in past situations), the more the risk will be seen to be mitigated. This information often comes in the form of previous positive or negative experiences trusting the individual(s) involved in the current trust act.

Numerous writers have discussed the fact that people are willing to increase their levels of trust (take larger risks) when they have successfully trusted for smaller things in the past (see for instance, Axelrod, 1984; Cangemi, et al., 1989; Ring & Van De Ven, 1994). This is generally termed the “upward spiral of trust.” If a person has trusted someone previously, and they have proven trustworthy, it is easier to trust them the next time. There is a surety that faith placed in them will not fail. This is the scriptural principle, “Whoever can be trusted with very little can also be trusted with much” (Luke 16:10). Reputation works in a similar way. For example, David says, “Those who know your name will trust in you, for you, LORD, have never forsaken

those who seek you” (Psalms 9:10). Thus, trust and trustworthiness tend to proceed over time in an upward spiral.

Ability

There are two general elements to think about when evaluating a person's trustworthiness: ability and character (Barber, 1983; Coleman, 1990; Silver, 1985). Ability is the technical competence or capacity to perform (individually or through others) whatever task the person is being trusted for. Some researchers leave ability out of considerations of trust, because they are concerned primarily with trust in social situations such as marriage and family, where the ability of any person is generally sufficient. Nevertheless, it can be argued that, even there, ability may be an issue.

However, it is clear that the ability of the person being trusted in the work setting is important. A person in an organization generally trusts another person for some job-related outcome (Gabarro, 1978). There is no point in trusting someone to do a job he or she is incapable of doing. There are various ways we can determine the person's ability. In some cases, the fact that he or

she has been in a given job for a period of time might be sufficient evidence of ability. In other cases a certification or reputation might provide sufficient evidence (more about that under “External Factors”).

The Role of Character in Trustworthiness

Character is variously defined in the literature as fiduciary responsibility (Barber, 1983), ethical values (Morgan & Hunt, 1993), commitment and loyalty (Silver, 1985), and the willingness to do the task being trusted for (Coleman, 1990). In fact, character might be summed up in the words “honesty” and “integrity”—as cited earlier in this paper, the thing executives said they look for most in job candidates (“Honesty Counts,” 1997). Particularly in the organizational setting, character may be much more difficult to ascertain than ability, and therefore may take precedence in selection criteria. For instance, when Gabarro (1978) studied the development of trust between subordinates and managers, one finding was that integrity and credibility were of first importance (above ability issues) in both groups when

determining the trustworthiness of a member of the other group.

This result is more easily understood if one thinks about the practicalities of the work setting. Unlike when trying to discover a person’s ability to do a specific task, where many external aids are available, there are few external factors that will indicate a person’s inner character. Certification may occasionally be an aid if it includes a code of conduct which is policed by the certifying body and if the code relates to the task at hand (Zucker, 1986). Otherwise, the person who is seeking to trust has to rely upon any personal experience with the person to be trusted, and/or the person’s reputation (Anderson & Weitz, 1989; Tsui, 1984; Weigelt & Camerer, 1988). Personal experience (an ongoing relationship) is normally considered the most reliable of these options, but, at best, we can only infer character from past actions. Thus, character is almost always more difficult to assess than ability.⁴

It is worth noting that the character requirements of trust are virtually identical to the scriptural elements of *agape* love. According to Vine,

Love can be known only from the actions it prompts. God’s love is seen in the gift of His Son ... Love seeks the welfare of all (Romans 15:2) and works no ill to any (13:8-10); love seeks opportunity to do good to “all men, and especially toward them that are of the household of the faith” (Galatians 6:10) (Vine, 1985).

Likewise, the Apostle Paul says, “love is kind ... It always protects, always trusts, always hopes, always perseveres” (I Corinthians 13:4, 7). Therefore, the believer who practices the character traits of *agape* love will also be practicing the character traits of trustworthiness.

As an example, the Bible portrays Daniel as maintaining both of the personal elements of ability and character. There we find that Daniel distinguished himself above the other administrators by his exceptional qualities (ability). When the other administrators tried to find fault with him, they could not “because he was trustworthy and neither corrupt nor negligent” (Daniel 6:1-4).

External Factors

Acts of trust are rendered more complex because there are factors in all societies that act to either mitigate the risk of the situation or the risk of betrayal. There are also factors that can act to control the outcome of the event itself. All of these factors, however, are external to the trust situation. Most of them are the result of a social system element designed to control uncertainty. Such elements include, but are not limited to, insurance (risk of situation), certifications such as

... the character requirements of trust are virtually identical to the scriptural elements of “agape” love.

Certified Public Accountant, Certified Microsoft Engineer, Ph.D. in Business, etc. (risk of betrayal, competence), the rule of law (risk of situation, risk of betrayal, character), and a sound monetary system (risk of situation). All of these social elements are external factors that modify risk (usually downward) in the act of trusting. Within the organizational setting, risk is most often reduced through the external factors of goal alignment, competent hiring

practices, training programs, etc. If a situation should arise where one or more external factors completely removes risk, trust is not necessary by definition, though it may exist.

It should be noted that some authors consider what this paper calls “external factors” as a completely separate form of trust (see for instance, Luhmann, 1979; Zucker, 1986). Luhmann (1979) calls this “system trust.”

The problem with considering these impersonal factors as a type of trust is that they are never sufficient, in themselves, to assure trustworthiness, though they may produce the same end. Moreover, there are always “guardians” of the system, who must prove trustworthy for the system to stay trustworthy. Therefore, there is always a personal element to trust. Space does not allow for a complete discussion of this issue here, but for those interested, see Smith (1996).

Trustworthiness

Trustworthiness is as much based in belief as trust is. An act of trust is entered into based in belief in the person being trusted. An act of trustworthiness is based in the corresponding belief that the one trusted has an obligation

to prove trustworthy. This belief in the obligation is often lacking today in those who need to be trustworthy, which is the primary difficulty with using trust (in the biblical sense) in organizations in any large-scale way. The belief in “obligatedness” should be much more common in the Christian. As Paul says, “Now it is required that those who have been given a trust must prove faithful” (I Corinthians 4:2).

The Bounding of Trust

In most situations, the scope of trust is bounded by the task situation itself. Without this bounding effect, trust relationships would probably be impossible to maintain within a business organization. When we choose to trust God, the trust needs to be totally unbounded, because we are trusting Him with everything we are and have. Trust in a marriage situation is somewhat akin to this. On the other hand, trust in the work setting normally has a number of boundaries, one of which is the work setting itself. In many cases a person only has to be trusted for a specific job-related goal or task. As Luhmann puts it,

One can, for example, accept without question the opinion of

one’s colleague about a technical matter but nevertheless not risk lending him money “personally” ... One can trust someone in matters of love but not in money matters, in his knowledge but not in his skill, in his moral intention but not in his ability to report objectively, in his taste but not in his discretion (1979, p. 91-92).

Thus, the bounding effect of the job setting often makes trusting easier, primarily because it makes the character judgment easier. There is a caveat here, however. Numerous studies have shown that if a person is trustworthy in one thing, they are significantly more likely to be trustworthy in other things (Butler & Cantrell, 1984; Moorman, et al., 1993), and if they are untrustworthy in one thing they are significantly more likely to be untrustworthy in other things (Deutsch, 1958; Golembiewski & McConkie, 1975; Good, 1988). This finding should not be surprising, since it agrees with the Bible (Luke 16:10). Therefore, while the bounding of trust situations in organizations can help promote trust, it is no panacea.

Betrayal of Trust

An act of betrayal works in the opposite manner to the act of trust, changing trust into active distrust (Akerstrom, 1991). Once trust has been betrayed, the risk will be perceived as too high to trust the individual again. An example of this is the story of John Mark as found in the book of Acts. Chapter 15 tells us that Paul and Barnabas came into great disagreement over whether to take John Mark with them on a missionary journey, since they had taken him once before and he had returned home prematurely. It is probably safe to say that Paul felt that his trust was betrayed by John Mark, and he didn’t want to trust him again.

Happily, this is not an issue with trust between God and man. God is ever willing to forgive us our betrayals, and He will never betray us. Likewise, God has given us the interpersonal mechanism of forgiveness to deal with the betrayal of trust between Christian brothers and sisters. Christ said, “If [your brother] sins against you seven times in a day, and seven times comes back to you and says, ‘I repent,’ forgive him” (Luke 17:4). Of course, in ourselves, we often do not have the ability to forgive. This is specially true if the betrayal was

deep. Once again, we have to trust our God and Savior to provide the power to be able to forgive others.

Of course, a person may forgive someone and still not want to trust them in the future. The upward spiral of trust discussed

earlier reenters here.

If a person successfully trusted someone in the past, he or she will be willing to trust them more (take a larger risk) this time. Betrayal tends to destroy this upward spiral. When betrayal has happened, even forgiveness is not likely to immediately place the parties back at the position they were in prior to the betrayal, but it will allow for trust to begin again. Betrayal without forgiveness will destroy a relationship. Through the story of John Mark, we know that Barnabas excelled in the ability to forgive betrayal and to restart the trust-building process. Paul also must have forgiven John Mark and eventually restarted the trust-building process, because we find that John Mark is with him and is highly spoken of when Paul is writing his letter to the Colossians (Colossians 4:10).

The Managerial View of Trust as a Control Mechanism

Traditional organizational control systems emphasized a strict hierarchy of power and authority. The idea was to control all of the workers' actions through structures, rules, and procedures, thus forcing them to cooperate and

Betrayal without forgiveness will destroy a relationship.

act in concert, so that organizational decisions and actions would be united (Morgan, 1973). This approach to organizational control seemed to be successful for a time, but created large, slow, bureaucratic organizations that have been unable to adequately compete in a modern, globally-networked world. Management theorists have realized for some time that a firm could do away with much of its bureaucracy and rules if it could trust its employees to consistently act in the best interests of the firm (Argyris, 1970). In essence, the firm could replace much of the hierarchical control through the authority and power system with control through trust at the level of the individual worker. When this happens, the firm is replacing external (to the employee) coercive control with

an internal voluntary control. Thus, what is really being considered is replacing hierarchical control through authority with employee self-control.

Doing this can increase motivation and decrease frustration on the part of workers, since they become more involved in workplace decision-making and are valued for their minds as well as their bodies. And, of course, if the workers are now controlling their own work processes, the organization can lower costs by getting rid of many of the managers who were needed in the vertical control system but are not needed now. This sounds like the best of all worlds, and it is easy to see why trust has become a popular management topic. However, things are not necessarily that simple. There is no reason to think that worker self-control by itself will automatically control things in the way management desires.

This is a very real problem. The unpleasant fact must be faced that, in the experience of management, many workers have not displayed the trustworthiness required for this kind of system to operate. Of course, this is the classic problem of agency theory:

when one party delegates work to another (the agent), what is to keep the agent from self-serving actions (Eisenhardt, 1989)? A basic assumption of agency theory is that self-control is an inadequate control mechanism. In other words, the agent cannot be trusted. Much time could be spent discussing this issue, but suffice it to say that management theorists that seek to utilize trust as a control factor in organizations also strongly emphasize the use of what this paper calls "external factors" and a strong company culture which supports trust (see for instance, Cangemi, et al., 1989; Morgan, 1973; Wilkins & Ouchi, 1987).

An Organizational Culture of Trust

In order for trust to work as an organizational control mechanism, the people being trusted will have to prove trustworthy. They must make decisions in such a way that the resulting actions are in harmony and are motivated (and thereby directed) by the same organizational goals (vs. individual, self-centered goals). That is, the workers must subjugate their own personal desires to the good of the larger organizational entity. In a trust

situation, the person who trusts is placing his or her trust in the person(s) *who have the power to affect organizational outcomes*. So, the person(s) required to be trustworthy must first be given the power to affect organizational outcomes. This is the process of empowerment. Therefore, a strong organizational culture also becomes important, since it can be molded around the organizational mission statement and goals. If workers can be persuaded to accept the mission and goals as their own, they will limit their own power use to organization-wide ends—or at least, that is the hope.

There is a substantial amount of evidence that a network of trust has the capability to deal with the control problem of self-serving actions in organizations. For example, after reviewing organizational trust studies, Golembiewski and McConkie conclude, “Trust seems a salient factor in influencing central dynamics in the full range of social systems: interpersonal, group, and organization” (1975:177). Indeed, trust has been found to correlate significantly with truthfulness and honesty (Anderson & Weitz, 1989; Earley, 1986), ability and competence (Butler, 1991; Gabarro, 1978),

integrity (Moorman, et al., 1993), dependability (Swan, et al., 1985), good judgment and moral character (Gabarro, 1978), high job performance (Golembiewski & McConkie, 1975), and a host of other positive employee characteristics.

Is Trust a Viable Alternative to Hierarchy?

From the previous discussion, it is apparent that trust is a unique power source that is potentially capable of handling the control function of organizations. In fact, the problem with using trust as a control feature is not with trust itself. Rather, it is with the primary prerequisite necessary for developing a network of trust relationships. It seems too obvious to say, but in order to create trusting relationships in a broad pattern across the organization, we must first have a large percentage of trustworthy employees. This requirement seems to have dropped out of sight in most academic discussions of the subject, though, as mentioned earlier, it does not seem to have dropped out of sight of practicing executives (“Honesty Counts,” 1997). With the significant moral decline in the U.S. in the last 40 to 50 years, where are these

trustworthy employees to come from? And, there seems to be little hope, outside of a spiritual revival, for things to get better in the future.⁵ Thus, general sociological trends would seem to diminish the chance of successfully using widespread trust as a way to control the secular organization—at least, if the trust is rooted in biblical morality.

A Dangerous Solution

There is a potential solution for organizations that need a control system that will work in the interdependent global marketplace, and this solution lies in the development of an organizationally-specific network of trust among employees. However, that trust may not bear much resemblance to the trust found in the Bible.

As organizations actively seek ways to use internal trust networks for control purposes, they must be able to hire or create trustworthy employees—but, as discussed in the first part of this paper, trust and trustworthiness are built upon belief. Given that the general morality of potential workers is not high, what usable general beliefs are available? It is quite possible that these organizations will seek to create

trust around a non-moral belief system—what that belief system is will have dramatic effects upon the trust outcomes. That is, a nonbiblical belief pattern will create substantially different actions from a biblical one, since peoples’ actions are regularly guided by their beliefs (e.g., James 1:21-26).

There is no reason to assume that the belief patterns attached (or created) by a business organization for the purposes of control through trust need be Christian or even moral. For example, consider the beliefs that were used to build the trust relationships that eventually caused the federal backlash that we call the antitrust laws. Those beliefs resulted in business trust relationships between a few individuals, and, to their benefit, that was at the expense of many others. Likewise, the growth, influence, and stability of the Mafia in Italy has been attributed to a predominant belief system which emphasized that one could only rely upon family members. Thus, a general lack of trust in the culture, combined with strong trust relationships within family groupings, forced all relationships outside of the family to be dealt with through coercive power (Gambetta, 1988).

Belief has been called the most potent of all power sources (Galbraith, 1983), and there are many strongly-held beliefs that are not biblical or even religious. We can find many examples of people without any religious beliefs who, because of the beliefs they had, willingly underwent great hardships, even hardships which led to death. These non-religious beliefs may be in a country, a family, or even a family pet. Why not a company? In fact, we have many examples of companies creating strong beliefs in their employees or even their customers (Apple Computer springs to mind). Those beliefs, in turn, motivate very specific behaviors. There is a trust bond between those who share the beliefs, but generally at the expense of anyone who doesn't share the belief.⁶ If an organization can create and/or attach these beliefs and build a network of trust upon them, it may be very possible to use that level of trust as a control mechanism.

Likewise, an organization can find various ways to attempt to assure trustworthiness. While, in the biblical sense, trustworthiness should be based upon the rightful obligation owed to another person, in a non-biblical setting

an act of trustworthiness could be based upon something as ungodly as greed ("If I help him, I will get what I want") or as mundane as fear of punishment. An excellent example of this comes, again, from the rule of the Mafia, where trustworthiness in business dealings is assured through fear of reprisal (Gambetta, 1988). In this case, the company would be using the power source of coercion to try to "force" people to be trustworthy, and the ultimate result is unlikely to be trust—at least the sort of trust we have been discussing. In effect, the company would be establishing an external factor (a system external to the trust relationship, designed to enforce trustworthiness). It may create what looks like genuine trust from outside the company, while what is really causing the human actions is the system.

It may well be that the corporate world is headed in this direction of creating limited forms of trust through internalized organization-wide belief systems. It is becoming more and more common to read in the business press of company meetings that companies are exemplified by their "religious zeal." Many of our students might ask, "What is wrong with that?"

When they do ask, are we prepared to provide the answer?

Essentially, the non-Christian world is taking as its own a tool that is designed by God for use by believers. Dick Chewing summed it up well in a previous issue of this journal when he said, "Serving the business rather than God is a trap that is all too easy to fall into" (1997:39). While trust is a creation of God, designed for His purposes, and can thus be considered a virtue, Satan will always attempt to twist the virtues to his own ends. It may be that the next major threat to the Church will come primarily from the concept of the "employer as god."

At the same time, there will be employers that are looking for employees who are trustworthy in the biblical sense. Christian university graduates should be in high demand for just this reason, if we can make our case adequately to the employers. Christian business schools in the 21st century will need to be much more explicit in our teaching regarding trust. Our students need to understand the nature of biblical trust and will need to be able to discern the differences between biblical trust and what they may encounter in some organizations. Our call as business

teachers in the next millenium is to become well-versed in these distinctions and clear and persuasive in our teaching.

ENDNOTES

¹This issue has been explored in depth by Smith (1996).

²Of course we also have to understand that we couldn't even trust in God unless He first gave us the ability to do so. Thus, salvation is utterly His work and none of ours.

³The level of risk of a loved one getting hurt would also be quite different, but it would proceed in the opposite direction, since the newer car would probably have advanced safety features.

⁴It is interesting to note in this regard that having too many people in a given organizational setting will cause trust problems, because a person can only maintain so many personal relationships, and a personal relationship is the best way to ascertain a person's character. For instance, when discussing the possible future structure of the transnational corporation, Bartlett and Ghoshal discuss networks of trust requiring smaller organizational entities and provide an example, saying "[Asea Brown Boveri] ... is not a \$30 billion behemoth: It is a network of 1,300 separate companies, each a legal entity with its own balance sheet and profit and loss statement, with an average of 200 employees per company ... [E]ach unit must be restricted in size so that every member of the unit can personally know all others (1995:794).

⁵Even as far back as 1970, one study indicated that the general level of trust among college students was declining over time in the U.S. (Hochreich & Rotter, 1970).

⁶Christians have also been accused of this and not without some justification, even though Scripture is clear that our love should extend outside of our own circle.

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Dialogue IV

Trust and Trustworthiness: A Response to "Organizational Control Through Trust: A Biblical System?"

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I very much enjoyed reading this article, and especially appreciated the way it was situated in the mainstream literature and the care with which it was written. I agree wholeheartedly that we must not allow a "genuine trust" to be replaced by a "counterfeit trust." Indeed, it is precisely because the paper is so well-done that I feel compelled to comment on certain elements highlighted in its conclusion, which I found lacked the careful attention that characterizes the rest of the paper.

Recall that Smith notes that "in the experience of management, many workers have not displayed the trustworthiness required," and concludes that graduates from Christian universities "should be in high demand ... if we can make an adequate case to the employers" demonstrating that they are trustworthy in the "good" biblical sense. While I agree that we

should nurture graduates from Christian universities to be trustworthy, what bothers me is that the conclusion (probably unintentionally) implies that the onus for genuine trust in the workplace is on workers.

Put differently, to me it is not self-evident that "in order to create trusting relationships in a broad pattern across the organization, we must *first* have a large percentage of trustworthy employees" (emphasis mine). We must not forget that the employer needs to be trustworthy, too. As Smith points out, trusting God is facilitated by the fact that God is trustworthy. Is there a parallel situation in organizations? Whereas God cannot betray us, the same cannot be said of organizations. Moreover, what is the biblical rationale for persuading and expecting workers to accept an organization's mission statement and goals "as their own"?

Is it self-evident that managers and organizations are trustworthy? Studies like Badaracco and Webb (1995) suggest not. For example, they found that young managers who were asked, "Does fear of punishment motivate you to do the right thing?" responded by turning the question on its head, saying that they feared repercussions for doing what they believed to be the right thing! If managers cannot trust themselves to act ethically, then why should employees trust managers (and, just as importantly, why would we expect managers to trust subordinates)?

Building on an argument that I've started elsewhere (Dyck, Thiessen, & Timmerman, 1997), a key to facilitating trust in organizations may be to provide managers with and make them accountable to a trustworthy "moral community" that transcends the organization where they work. Such a community could take a variety of forms, but may be modeled after the professional associations characterizing other professions (e.g., accountants, lawyers, nurses, engineers, etc.). It seems odd, especially given their importance in people's everyday

lives, that managers should be less accountable than other professions.

In sum, while I certainly agree that our yeastiness will serve to increase genuine trust in organizations, we must take care not to assume that organizations are inherently trustworthy (rather, we should expect our yeastiness to change organizational missions and goals). Obviously there is much more that needs to be written about understanding the meaning of developing genuine trust in organizations. I thank Smith for the important contribution he has made toward this end.

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Dialogue V

Competition Among Religious Denominations: Adam Smith's View¹

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By using Smith's model of competition and monopoly, Stapleford discusses Smith's explanation of denominational growth and decline.

Introduction

This paper explores Adam Smith's model of competition and monopoly as applied to religious denominations. After briefly considering the nature of the times in which Smith was writing, his logic and the conclusions he drew regarding denominational competition are discussed. Smith argues that in order to appeal to the common person, new sects entering an open religious market tend to be more religiously (morally) conservative than longer-lived established denominations. Without low barriers to entry and competition, the majority of denominations tend to become liberal in their values. Subsequently, current evidence on the accuracy of Smith's model is reviewed, and finally, consideration is given as to whether the existence of such

competition furthers the Kingdom of God.

The conclusion is that as it does in product and resource markets, competition has a positive effect in the market for religious denominations, increasing church attendance, particularly among persons seeking church communities with more evangelical and fundamental Christian doctrines.

The Setting

Many economists are weak theologians, and many theologians are weak economists. Like most theologians, Martin Luther is a weak economist. In writing about trade and usury, for example, Luther singles out merchants whose common practice is to sell goods as dear as they can.² For Luther, this "occasion is given for avarice, and every window and door to

hell is opened.” Obviously, such merchants do not care for their neighbor and have abandoned Christian love for greed. Luther believes merchants especially overcharge those persons whom they perceive must have their wares and/or buyers who are poor and need the goods.

Luther proposes to put these merchants and this trade on what he believes to be a fair and Christian basis. How will this be accomplished? Well, “... the best and safest way would be to have the temporal authorities appoint ... wise and honest men to compute the costs of all sorts of wares and accordingly set prices which would enable the merchant to get along and provide for him an adequate living.” He flirts with “price ceilings” and prices based upon labor invested (later the view of the classical economists). Luther’s “policies” regarding just prices exhibit the characteristics that made the socialist economies of Eastern Europe unsuccessful—a reliance on government, the temporal powers, as the source of “fairness.” Luther trusts that there are “wise and honest men,” uncorrupted by human nature, not now or ever susceptible to a bribe, uninfluenced by friendships and family relations that extend into various industries.

He assumes that these men know which commodities should be priced dear and which should be priced near costs and that these price decisions will have no impact on the future willingness of merchants to supply these goods.

Does Luther call for the guilds to be abolished so that the supply of candle makers or weavers can increase and drive down the price of these goods? Does Luther call for the abolition of customs duties on agricultural goods and other commodities brought into the town from other regions? Does he advocate lowering government taxes on essential goods and services so that the quantity supplied will rise? The answer is no.

This is not so much to criticize Luther, writing in the 1500s, as it is to emphasize what a departure Adam Smith’s views were from centuries of thinking on economic issues (many of Luther’s ideas extend back at least to Aristotle). Smith advocated competition as the key to keeping profits low and prices representative of the opportunity costs of the resources used in production. Smith did not disagree with Luther regarding the avaricious human nature of merchants and the business class,

who continually conspire to raise prices to the unsuspecting public. His solution was far different, however—to achieve just prices, grow the class of entrepreneurs, remove barriers to entry to markets, reduce customs fees, and permit individuals access to education and financing. In other words, facilitate competition.

In his classic work, *An Inquiry Into the Nature and Causes of the Wealth of Nations*, Smith applies his competitive model to religious denominations. Is competition among religious denominations to be desired? The following section details Smith’s position.

Competition and Religious Instruction

In his day, Smith considered religious institutions to be the primary institutions for instruction of people of all ages and classes. His major distinction among denominations is the length of their existence (rather than, for example, financial support of a denomination from government), pitting the long established churches against the upstarts. The behavior of the two groups is significantly different, in part as a result of the differences in their self-interests.

If a denomination is successful enough to be dominant among the citizenry, it becomes advantageous for the political factions to align themselves with the denomination. Those denominations that are most successful in gaining influence and authority over the great body of people can then negotiate from a position of strength with the civil authorities. Their first demand is that the king or magistrate “should silence and subdue all their adversaries.”³ Religious denominations see the value of monopoly as clearly as any merchant. Second, they want “some share in the spoil.” After all, like any merchant, the established denomination is “weary ... of humoring the people and of depending upon their caprice for a subsistence.”⁴

Denominations depend for their subsistence upon the voluntary contributions of members and/or funds obtained through the law of their country such as a land tax, stipend, or established salary. The clergy of well-established and “well-endowed” denominations, especially those supported generously by the state, “frequently become men of learning and elegance” and “gradually lose the qualities, both

good and bad, which gave them authority and influence with the inferior ranks of people ... which had perhaps been the original causes of the success and establishment of their religion.”

They have become “very learned, ingenious, and respectable men; but they have in general ceased to be very popular preachers.”⁵

This tendency toward aristocracy of the ministry certainly rings true from Scripture where Christ tells us:

Then Jesus spoke to the multitudes and to His disciples, saying: “The scribes and the Pharisees sit in Moses’ seat. Therefore whatever they tell you to observe, that observe and do, but do not do according to their works; for they say, and do not do. For they bind heavy burdens, hard to bear, and lay them on men’s shoulders; but they themselves will not move them with one of their fingers. But all their works they do to be seen by men. They make their phylacteries broad and enlarge the borders of their garments. They love the best places at feasts, the best seats in the synagogues, greetings in the

marketplaces, and to be called by men, ‘Rabbi, Rabbi’ (Matthew 23:1-7, NKJV).

The officially dominant religion of Christ’s day most certainly

New denominational entries ... tend to evidence more ... zeal ... toward the common people ...

tried to keep itself in a self-serving relationship with the secular authorities:

Then the chief priests and the Pharisees gathered a council and said, “What shall we do? For this Man works many signs. If we let Him alone like this, everyone will believe in Him, and the Romans will come and take away both our place and nation” (John 11:47-48, NKJV).

The multitudes in the crowd, stirred up by the Sanhedrin, followed suit:

But they cried out, “Away with Him, away with Him! Crucify Him!” Pilate said to them, “Shall I crucify your King?” The chief priests answered, “We have no king but Caesar!” (John 19:15, NKJV).

New denominational entries, on the other hand, tend to evidence more exertion, zeal, and industry toward the common people, because they are dependent upon voluntary contributions. (New entrants to a marketplace can’t rest on their oars!) They are especially successful in building their denomination because they focus on the art of gaining proselytes. As with the hussars, for these denominations it is generally “no plunder, no pay.” While the established denominations have “the advantage in point of learning and good writing ... the arts of popularity, all the arts of gaining proselytes, are constantly on the side of ...” the new denominations. Having been entrenched for two centuries or more, the established denominations are even “incapable of making any vigorous defense against any new sect which chose to attack its doctrine or discipline.”⁶ In Adam Smith’s time, the dissenters, the Methodists and mendicant orders of the Catholic church, represented these new sects.

The moral codes tend to differ between the established and emerging denominations. While the emerging denominations tend to be “strict or austere,” the

established denominations tend to be “liberal” or “loose.” According to Smith, people of fashion tend to favor the established denominations where the vices that tend to arise from great prosperity are treated with tolerance. “Luxury, wanton and even disorderly mirth, the pursuit of pleasure to some degree of intemperance, the breach of chastity ... are generally treated with a good deal of indulgence, and are easily excused or pardoned altogether.” This is natural because people of rank are “very apt to consider the power of indulging in some degree of excess as one of the advantages of their fortune ... as one of the privileges which belong to their station.”⁷

In fact, for the politician or sovereign, Smith observes there is great advantage in bribing the indolence of the clergy through state salaries and the like. This renders it superfluous for the clergy to be active among their flocks. “And in this manner ecclesiastical establishments, though commonly they arose at first from religious views, prove in the end advantageous to the political interests of society.”⁸ In countries where there “is an established or governing religion ... (t)he sovereign can ... never be

secure, unless he has the means of influencing in a considerable degree the greater part of the teachers of that religion. The clergy of every established church constitute a great incorporation. They can act in concert”⁹ Princes who try to ride rough shod over the authority of the established church risk the disfavor of the people, can be charged with heresy, and cannot be sure of the loyalty of an army drawn from the ranks of the common people. Likewise, the threat of force, violence, and persecution merely tends to rally the people around the church. Co-optation (both financially and spiritually) and persuasion seem to be the most fruitful course. “... [H]ow precarious and insecure must always be the situation of the sovereign who has no proper means of influencing the clergy of the established and governing religion.”¹⁰ Smith observes that fear only serves to irritate, and persuasion and inducement tend to be the most attractive course.

The emerging denominations, however, spring from the ranks of the common people and tend to advocate a strict and austere system of morality. Although some may carry this to an extreme in order to gain a larger

market niche, generally these denominations are drawing upon longstanding Christian tradition for their moral framework. Consequently, “In little religious sects ... the morals of the common people have been almost always remarkably regular and orderly; generally much more so than in the established church.”¹¹

One of the powerful advantages of the emerging denominations during Smith’s time was with regard to the migrants who were pouring from the countryside into England’s cities. Taking the case of an honorable man who leaves the country, Smith comments, “But as soon as he comes into a great city, he is sunk in obscurity and darkness. His conduct is observed and attended to by nobody, and he is therefore very likely to neglect it himself, and to abandon himself to every sort of low profligacy and vice.”¹² But by becoming a member of a small religious denomination, our friend is received into a community where he and his conduct are considered of importance and where he will be held accountable for his behavior.

Adam Smith is arguing that those denominations that are directly dependent upon the “customer” tend to be less liberal

and more fundamental than the established denominations. The newer denominations are working closely with the common people while the established denominations gravitate toward the secular centers of power and wealth of their day. In fact, Smith would argue, any government subsidies of religion will lead to a disregard for “truth, morals, or decency” and merely “prove in the end advantageous to the political interests of society.” Let the tub stand on its own bottom.

If politics removed itself from the aid of religion, the result, says Smith, would be competition and a multitude of denominations. There may be two or three hundred different denominations where preachers would be “obliged to learn that candor and moderation which is so seldom to be found among teachers of the great sects” is essential to discipleship.

The teachers of each little sect, finding themselves almost alone, would be obliged to respect those of almost every other sect, and the concessions which they would mutually find it both convenient and agreeable to make to one another might in time probably reduce the doctrine of the greater part of them to that

*pure and rational religion, free from every mixture of absurdity, imposture, or fanaticism, such as wise men have in all ages of the world wished to see established*¹³

Each denomination is “too small to disturb the public tranquillity,” and competition in religion is better for the average person than oligopoly or monopoly.

These ideas can be traced back to Smith’s first book in 1759, *The Theory of Moral Sentiments*. While firm in his belief that humans act out of self-interest, in *Moral Sentiments* Smith contemplates why people also engage in acts of benevolence, performing various deeds of kindness with no expectation of reward. Smith clearly disregards the argument of Romans 1 that God’s eternal power, divine nature, and righteous decrees are known by all, and thus rejects the idea of an innate moral sense.¹⁴ Smith proposes the concept of the “Impartial Spectator.”

Humans engage in acts of kindness and charity in order to win the affection and praise of their companions. But ultimate satisfaction can only be achieved when the individual also gains personal self-respect. Individuals

thus function as an Impartial Spectator of their own conduct. If we can love ourselves, we can then love our neighbor, argues Smith. It is through the Impartial Spectator in each person that God impacts human affairs, while “the administration of the great system of the universe ... is the business of God and not of man.”¹⁵ It should also be noted, as Smith demonstrates so thoroughly in *The Wealth of Nations*, that society can function quite harmoniously in the absence of mutual benevolence among persons, as individuals perceive it is in their self-interest to accommodate one another (“it is not from the benevolence of the butcher or the baker ...”).

In his analysis of the competition among denominations, Smith has clearly continued the application of the Impartial Spectator. The conduct of clergy, the tolerance of immorality by clergy and denominations, and the doctrine of denominations are all influenced by the companions with whom each denomination travels. New entrants depend upon the voluntary contributions of their hearers and appeal to commoners by advocating a strict and austere system of morality. Established denominations, on the

other hand, well-endowed with accumulated wealth and, in some instances, receiving government subsidies, neglect to keep up the fervor of the faith and devotion in the great body of the people. Led by the Impartial Spectator, clergy are simply adapting their systems of values to the company in which they travel. Thus, Smith suggests that new sects and denominations would be expected to be more morally conservative while established denominations would tend to be more morally liberal.

Smith believes that the beginning of the end for the single dominant established denomination, most particularly the Church of Rome, came through the Industrial Revolution. Before that time, bishops of each diocese, who at one time were elected by the populace, were elected by the clergy and had absolute authority over them. The Church was independent of the sovereign and amounted to an independent state or an army of occupation. What served most to keep peace was that the estates of the clergy, together with tithes, became a major source of hospitality and charity for the people, living out the love of Christ. This earned the Church the “highest respect and

veneration among all the inferior ranks of people”¹⁶ However, “the gradual improvement of arts, manufactures, and commerce ... destroyed the whole temporal power of the clergy.”¹⁷ As the clergy entered the world of commerce, trading their foodstuffs and crude products for other goods and services, their hospitality became less liberal and the support of the people weakened. “The inferior ranks of people no longer looked upon (the Church)” as “comforters of their distress” and instead were “provoked and disgusted by the vanity, luxury, and expense of the richer clergy, who appeared to spend upon their own pleasures what had always before been regarded as patrimony of the poor.”¹⁸

Beginning in Germany, the Reformation was a force for increased competition in the market for religious denominations. While not as learned as their opponents in the established denomination, Reformation upstarts had the edge in popularity and the gaining of proselytes through the “austerity

of their manners” and “the strict regularity of the conduct.”¹⁹ Added to the general hatred and contempt of the established clergy, the passion of the upstarts resulted in considerable success. The most obvious was Henry VIII’s overthrow of the Church of Rome in England.

In countries where new denominations took root and grew, Smith claims the evidence is that such denominations were “favorable to peace and good order, and to submission to the civil sovereign.”²⁰ Some denominations, such as the Calvinists, even permitted the people of each parish to elect their own pastor. The rights of patronage were abolished in the

Presbyterian church in Scotland, and all Presbyterian clergy were considered equal. Thus, the cleric who wished to advance was “obliged to follow that system of morals which the common people respect the most.”²¹ The influence of the “vile arts of flattery and assentation” had been rendered impotent.²²

Finally, Smith notes that under the more competitive

... new ... denominations ... would be expected to be more morally conservative



system of denominations there will be less funds for any one cleric. If such persons are underpaid, then churches must expect the clergy to move on to employment in which they can receive compensation more in keeping with their learning. Salaries that are too low will attract clergy of incapacity, while salaries that are too high may encourage negligence and idleness.

Does It Ring True Today?

Just as Martin Luther was a weak economist, Adam Smith was generally a weak theologian (e.g., *The Theory of Moral Sentiments*). Nevertheless, Smith's views on the impact of entry and competition in the market for religious denominations appear to ring true. Charles Glock and Rodney Stark, writing in 1965, argue that the church is an adaptive institution in society, an institution prone to compromise with the dominant secular point of view, a point of view which tends to be morally liberal.²³ The church tends to take positions which will not alienate the majority of parishioners. Glock and Stark support the theory of H. Richard Niebuhr to explain the rise and evolution of new

religious sects in society. In addition to converts, the new sects receive members who have broken away from the compromising tendencies of the established denominations. The sects "assume an uncompromising posture toward the world, they gainsay a professional clergy, they insist on a conversion experience as a condition of membership, and they adopt a strict and literalist theology."²⁴

In his comprehensive review of the literature on the economics of religion, Iannaccone concludes that "throughout the world, fast-growing religions tend to [be] strict, sectarian, and theologically conservative." In the research literature, Iannaccone finds a positive correlation between denominational conservatism and such measures of religious involvement or commitment as attendance, contributions, and beliefs (especially doctrinal orthodoxy such as the divinity of Jesus, the inerrancy of the Bible, and the existence of a literal heaven and hell).²⁵

Roger Finke and Rodney Stark's book *The Churching of America 1776-1990: Winners and Losers in Our Religious Economy* uses census data to demonstrate that the "mainline churches" in

the United States have been in decline.²⁶ They suggest that as they reach a certain size and age, the mainline (established) churches integrate more of society's established mores; they lose their appeal to new proselytes; and new, more fundamental denominational entrants begin to gather converts. Moreover, they demonstrate that this is a life cycle which has been repeated over the centuries. "Since at least 1776 the upstart sects have grown as the mainline American denominations have declined. And this trend continues unabated, as new upstarts continue to push to the fore."²⁷

The earliest new entries to the American denominational market in the 19th century were the Methodists and Baptists, who were competing with the established Congregationalist, Presbyterian, and Episcopalian churches. The market share enjoyed by the established denominations fell from 55 percent in 1776 to 19 percent by 1850. The market share of the Methodists and Baptists moved in exactly the opposite direction, reaching 55 percent by 1850. Between 1940 and 1985 the market share of the established denominations (e.g., now Methodists, Presbyterian,

Episcopal) fell 50 percent while the market share of the evangelical denominations (e.g., Assemblies of God, Church of the Nazarene) rose 48 percent. Today, according to Finke and Stark, it is such new denominations as the Assemblies of God and the Church of God in Christ who are poised to move past the "faltering" Episcopalians and Presbyterians.

In his review of Finke and Stark's book, Walter Sundberg demonstrates how new denominations have helped to sustain the overall growth in U.S. church attendance. Siding with Adam Smith, he says, "In modernity, monopoly is as bad for church growth as it is for a commercial economy Evangelicals ... provide (ordinary) people with a concrete understanding of the transcendent in daily existence. They inculcate temperance, frugality, a passion for holiness, the sanctity of family life, and self-esteem. Above all, they deliver intact across the generations the fundamental truth of salvation through Christ alone."²⁸ Apparently, churches that move counter to the broader culture, who do not accommodate themselves to the world, attract the young, more evangelical seekers.²⁹

In *The Empty Church: The Suicide of Liberal Christianity*, Thomas Reeves clearly documents the decline over the past three decades of America's mainline Protestant "seven sisters": the American Baptist Churches in the USA, the Christian Church (Disciples of Christ), the Episcopal Church, the Evangelical Lutheran Church in America, the Presbyterian Church (USA), the United Church of Christ, and the United Methodist Church. The Episcopal Church, down to 1.6 million members, is described as being in "free fall." The Methodist Church has lost 1,000 members every week for the last three decades.³⁰ Meanwhile, the Southern Baptist Convention is adding 750

members and five churches a week, moving toward a total of 16 million members.³¹

The Southern Baptist Convention is a good example of an established denomination that has avoided decline as a result of standing on Scripture and not accommodating itself to the prevailing morality. The survey data in Table 1 evidences the significant belief differences between the Southern Baptists and other established denominations. Stark and Bainbridge note that compared to the denominations which fall toward the left side of the Table, the members on the right attend church less regularly, give much less money to the church (despite substantially higher incomes), and

place less importance on their church membership.³²

The evidence indicates that many established denominations have dabbled with the secular religions of the Enlightenment, Marxism, and scientism. The common theme here is that humans can save themselves, human nature is basically good, that we can place faith in our own intellect, and that social engineering will bring peace on earth. While there are strong evangelical movements and individual churches within all the mainline denominations, the appearance is that the focus of the hierarchy of the mainline churches has become government programs and social activism within the structure of moral and cultural relativism.

For Reeves, these factors strike at the heart of the decline facing the mainline denominations.³⁴ Despite recent hypotheses by observers of these trends, it's not urbanism, not the baby boom, not the over-committed two-wage-earner household, not the Supreme Court nor MTV.

Numerous polls and studies point to an important fact: great numbers of people stay away from churches simply because

*they do not see them as relevant to their lives. Liberal Protestantism in particular has become so secularized and indistinct that it cannot compete successfully with an abundance of causes and activities that many find more valuable.*³⁵

Our spirits crave the Spirit of God and His truth, unvarnished, without the rough edges sanded. This speaks to our deepest needs. Second-rate goods, like sermons with the popular morality of the day and scant theological and biblical foundations, may have value but do not revive. Wade Clark Roof found that while the liberal Protestant denominations are losing membership, the conservative Protestant churches have actually been able to grow by attracting conservative dropouts from the other more liberal branches.³⁶ In recent surveys of adults who had been confirmed in mainline Protestant churches during the 1960s, Johnson, Hoge, & Luidens found that the single best predictor of church participation was orthodox Christian belief, "especially the teaching that a person can be saved only through Jesus Christ."³⁷

Table 1
The Spectrum of Belief—Percent Giving the Indicated Response³³

	S. Bapt.	Sects	Epis.	Meth.	UCC
<i>I know God really exists and I have no doubts about it.</i>	99	96	63	60	41
<i>Jesus is the Divine Son of God and I have no doubts about it.</i>	99	97	59	54	40
<i>It is "completely true" that "the Devil actually exists."</i>	92	90	17	13	6

Concluding Remarks

Adam Smith was on the mark in his analysis of the market for denominations. So long as competition among denominations is possible, barriers to entry are low, and advertising and reaching out to the public are relatively unregulated, there is ample opportunity for new, more morally conservative denominations to win converts and take members away from more liberal established denominations. Church membership rolls provide a market test of relevancy.

Where Smith misses the mark, in my estimation, is in his theology. His rejection of the innate indwelling of God's righteous decrees in *The Theory of Moral Sentiments* leads to his argument that new sects are conservative and established denominations are liberal primarily on the basis of the impact of their "traveling companions" on each person's Impartial Spectator. Finke and Starke go a bit further as they argue that "humans begin to bargain with their churches for lower tension and fewer sacrifices" and so "(t)here comes a point ... when a religious body has become so worldly that its

rewards are few and lacking in plausibility."³⁸

Colossians 2:16-17 states, "Therefore do not let anyone judge you by what you eat or drink, or with regard to a religious festival, a new moon celebration or a Sabbath day. These are a shadow of the things that were to come; the reality, however, is found in Christ" (NIV). The job of the church is to present God's truth as revealed by the Holy Spirit in Scripture. Weighed in the balance and found wanting, all persons may be reconciled to God through the atonement of Christ. The end is peace.

The attraction of the newer denominations and the more scripturally-literal established denominations is the power of the absolute truth of God and the forgiveness we can have daily through Christ. Social scientists, whether political economists like Smith or sociologists like Stark, are unable to put their calipers to such works of the Spirit, and so they maneuver around it as best they can.

All said and done, Smith's support for free markets for religious denominations is one Christians can readily support as well. In international research, Iannaccone found low church

attendance in countries with a single dominant denomination and much greater attendance in countries for which no denomination dominated.³⁹ As Stark and Bainbridge noted, "The most singular fact about religion in the U.S. and Canada is diversity."⁴⁰ Today, attendance is about 2.2 percent in the government-subsidized Church of England on an average Sunday. At the time of the American Revolution, only 17 percent of the U.S. adult population belonged to a church. After peaking in the 1960s, U.S. church attendance on a given Sunday is 48 percent today.⁴¹ Apparently in America, with our potpourri of denominations, a significant portion of the populace is actively seeking the Kingdom of God. While we may grieve at some of the aberrant paths chosen by members of various sects, since the Garden of Eden God's way has always been to let persons choose. Easy entry and competition, as we have seen, guarantee that there will continually be morally-conservative Christian denominations from which individuals can choose. So hurrah for open markets for religious denominations!

ENDNOTES

¹I would like to express my appreciation to the numerous reviewers whose comments and suggestions have enormously improved this paper.

²Martin Luther, "Trade and Usury," *On Moral Business: Classical and Contemporary Resources for Ethics in Economic Life*, ed. M.L. Stackhouse, et al. (Grand Rapids, Michigan: William B. Eerdmans Publishing Company, 1997) 174-179.

³Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (Chicago: University of Chicago Press, 1976): Book V, 313.

⁴Adam Smith, 313.

⁵Adam Smith, 309-310.

⁶Adam Smith, 310.

⁷Adam Smith, 316.

⁸Adam Smith, 313.

⁹Adam Smith, 319.

¹⁰Adam Smith, 320.

¹¹Adam Smith, 317.

¹²Adam Smith, 317.

¹³Adam Smith, 319.

¹⁴E.G. West, *Adam Smith: The Man and His Works* (Indianapolis: Liberty Press, 1976) 100.

¹⁵Adam Smith, *The Theory of Moral Sentiments* (Indianapolis: Liberty Classics, 1976) 347.

¹⁶Adam Smith, 324.

¹⁷Adam Smith, 325.

¹⁸Adam Smith, 326.

¹⁹Adam Smith, 328.

²⁰Adam Smith, 330.

²¹Adam Smith, 333.

²²Adam Smith, 333.

²³Charles Y. Glock and Rodney Stark, *Religion and Society in Tension* (Chicago: Rand McNally & Co.) 1965.

²⁴Glock and Stark, 243-44.

²⁵Laurence R. Iannaccone, "Introduction to the Economics of Religion," *Journal of Economic Literature* (September 1998) 1471-1474.

²⁶Roger Finke and Rodney Stark, *The Churching of America 1776-1990: Winners and Losers in Our Religious Economy* (New Brunswick, NJ: Rutgers University Press, 1992).

²⁷Finke and Stark, 237.

²⁸Walter Sundberg "Beyond the Mainline Tale," *First Things*, 34 (June/July 1993) 55-57.

²⁹See *The American Enterprise*, November/December 1995, 11-12.

³⁰Thomas C. Reeves, *The Empty Church: The Suicide of Liberal Christianity* (New York: The Free Press, 1996) 11.

³¹Reeves, 32.

³²Rodney Stark & William Sims Bainbridge, *The Future of Religion: Secularization, Revival and Cult Formation* (Berkeley: University of California Press, 1985) 43-45.

³³Rodney Stark and William Sims Bainbridge, 44.

³⁴Reeves, 171.

³⁵Ibid.

³⁶Wade Clark Roof, *A Generation of Seekers: The Spiritual Journeys of the Baby Boom Generation* (NY: Harper Collins, 1993).

³⁷Brenton Johnson, Dean R. Hoge & Donald A. Luidens, "Mainline Churches: The Real Reason for the Decline," *First Things* (March 1993) 15.

³⁸Finke and Starke, 275.

³⁹Laurence R. Iannaccone, "The Consequences of Religious Market Structure: Adam Smith and the Economics of Religion," *Rationality and Society*, 3 (April 1991) 156-177.

⁴⁰Stark and Bainbridge, 41.

⁴¹Karl Zinsmeister, *The American Enterprise* (November/December 1995) 18; George Barna, *The Barna Report* (Ventura, CA: Regal Books, 1992) 92.

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Dialogue V

Response to "Competition Among Religious Denominations: Adam Smith's View"

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It is always enlightening to return to the works of an influential thinker of another era, such as Adam Smith, who addressed subjects in his day that are still relevant. And John Stapleford has done a superb job of putting Adam Smith's thoughts on "denominational competition" before us. My subsequent comments are to be interpreted as reflecting entirely on the thinking of Adam Smith, and not on the work of Stapleford. He has set Smith's thoughts before us faithfully, as I understand Smith's thinking. Stapleford noted in his article that "Adam Smith was generally a weak theologian," and it is this truth and its potential consequences that I wish to draw the reader's attention to. And I wish to do this as an expansion on Stapleford's comments on Smith's "rejection of the innate indwelling of God's righteous decrees," and Stapleford's observation that "The job of the church is to present God's truth as

revealed by the Holy Spirit in Scripture." Five observations are in order, I believe.

First, Smith has confused "causation" with "observation." Let me illustrate. In the 1950s when I was teaching statistics, I used a text that had the following illustration in it for the specific purpose of warning the students about correlating uncorrelatable observations. The book noted that there was a near perfect correlation between a 25-year decline in the consumption of chewing tobacco by the youth in rural America and the increase in the number of automobiles stolen in the major urban areas during the same time period. There was perfect correlation, but no causal connection between the two phenomena. (The students had much fun conjuring up "logical causation" relationships between the two observations.)

Smith observed the emergence of small, conservative denominational bodies in the face

of larger, long established, more liberal church bodies, and cast his observations into the hopper with his observations of the commercial marketplace. He treated the church as he would treat any other economic or political entity. That constituted a significant error, in my opinion. The church—*invisible church*—has a Leader that is sovereign, omnipotent, and faithful, who has promised that the “gates of Hades shall not overpower [His church]” (Matthew 16:18, NASB). God guards the church invisible and raises up His own leaders to seek its purity when He deems it appropriate. The invisible church is a “living phenomena” and not a mere human organization. There is interaction aplenty, under Christ’s leadership, between the visible church and invisible church that is not true of any other social, political, economic, educational, or judicial entity. *God is not competing with the world*, and it is blasphemous for any to believe that they can compete with God. He is redeeming His children. He is waiting patiently for the unredeemed to repent. If they will not, their cup of iniquity will be filled to overflowing to await the “day-of-judgment.” The “natural eye” may see what it calls

competition, but the “eye of the heart” sees God’s superintending, cleansing, renovating, and sanctifying works of grace.

Second, Smith badly distorts the motives that are generally at work in the hearts of Spirit-led church leaders. The paraphrase “New denominational entries, on the other hand, tend to evidence more exertion, zeal, and industry *because* they depend upon voluntary contributions” is an example of this twisting of motives (emphasis added). Their “zeal and industry” are much more likely to reveal their commitment to Christ and His truth than to their desire to be supported financially by the “common people.” The church has had its share of “Elmer Gantrys,” but they are neither the norm nor the common denominator amongst its leaders. The very idea that the emerging leaders are competing for members is to reduce the “body of Christ” (the church) to “coin of the realm”—to communicate that members represent \$\$\$\$\$\$. The visible church can degenerate to this low level, but not the invisible church, for the Holy Spirit will not allow it to.

Third, Adam Smith had a habit of valuing competition over

motives. Indeed, he was very influential in his day in removing the public’s concern about the individual’s motives in the commercial marketplace from the human consciousness. He was so successful that any public concern about human motives in the marketplace is still submerged beyond the human ability to resurface such a concern effectively. Smith argued that the motives of the individual did not matter in the marketplace, because the “invisible hand of competition” would govern their behavior in the public arena. In fact, he argued that competition would cause them to behave in a manner that would serve the public good, even when their motives might be absolutely self-serving. Competition, in Smith’s mind, became the “sovereign ruler” of the marketplace.

It can even be argued, as Calvin E. Beisner does, that Adam Smith’s so-called “invisible hand of competition” is really a natural order aspect of God’s “common grace.” By its use God regulates the behavior that ultimately emerges out of the twisted and perverted motives of the hearts of the unregenerate in the marketplace so that their behavior serves the good of the

whole community. While this argument may be debated, and it may even be true to a degree, it certainly has no place in the overall evaluation of God’s church or the motives of those whom God has raised up to lead the church.

Fourth, thoughts like “Humans engage in acts of kindness and charity in order to win the affection and praise of their companions” or “ultimate satisfaction can only be achieved when the individual also gains personal self-respect” are completely out of place in the context of biblical teaching. And they are equally misplaced in the realm of Christian experience. Yet such beliefs are associated with the work of Adam Smith. God’s love spread abroad in the hearts of His children is the biblical antidote and the Christians’ hope against such palaver. Smith’s contention that we must first love ourselves before we can love our neighbor is devoid of the most basic biblical truth. We must first experience and believe that we are truly loved by God before we are set free from the fetters of “self-interest” to engage in acts of love toward our neighbors. But our being “set free” is dependent upon our first being

brought to the cross of Christ by the Holy Spirit. It is there our ungodly and sinful old nature is exposed to us in the depths of its ugliness. And it is there that God's pure grace is poured out on us through our believing in and accepting the Father's gift of His Son, a pure and holy sacrifice for the atonement of our *sin nature and sins*. It is in recognizing our true "zero value" apart from Christ and our "perfect value" in Christ that sets us free to respond in love to God's love. "We love, because He first loved us" (I John 4:19).

In the context of a discussion about the church, love is the motivator of the regenerate heart. For the Christian, competition is not even a good motivator of the heart in the marketplace. The more mature one's Christian world/lifeview becomes, the more the mind of Christ will fill their heart and the more they will be governed by *love—a commitment of the heart (mind, affections, and will) to serve Christ by serving our "neighbors."*

Fifth, and most important, I believe, Smith ignored the ever-present superintending work of the Holy Spirit in the lives of God's children who make up the entire body of the *invisible church*—Christ's body. The visible

church has always had its theological problems and, consequently, many behavioral difficulties. We have been warned, "For the time will come when they will not endure sound doctrine; but wanting to have their ears tickled, they will accumulate for themselves teachers in accordance to their own desires; and will turn away their ears from the truth, and will turn aside to myths" (II Timothy 4:3-4). And this should not surprise us, for in our midst there "are false apostles, deceitful workers, disguising themselves as apostles of Christ. And no wonder, for even Satan disguises himself as an angel of light" (II Corinthians 11:13-14).

It might be said that Satan is in competition with God, with all the false and perverted motives that emanate from his rebellious and evil state. But it cannot be said that God is in competition with His enemies. God is sovereign, and, in the language of Martin Luther, Satan, like a dog on a leash, cannot move forward one inch beyond the bounds within which he is allowed to move and operate. Unintentionally, from his perspective, Satan is accomplishing the perfect and infinitely wise will of God—permissive will, in this case.

God has "declar[ed] the end from the beginning" (Isaiah 46:10). God is in charge of everything, especially His church. Not even a sparrow falls to the ground apart from the will of God—again, God's permissive will (Matthew 10:29). Adam Smith has, I believe, left God out of his account of the goings on both within and between denominations. Smith seems to be unaware of the fact that God is acutely aware of the failings of the visible church and its influencing people so they stumble and go astray. Indeed, it is for this very reason that God's judgment of a nation always begins with the "household of God" (I Peter 4:17; Jeremiah 25:29; Ezekiel 9:6), for those who bear the name of God are assigned the task of being salt and light in the world (Matthew 5:13-16).

A personal note: I am grateful to God for Adam Smith's insights into human behavior and the reality of the presence of competition in the world of "common grace." But I will not sanctify competition in the realm of "special grace," where the true church is ultimately guided and protected by the chastening, comforting, and redeeming hand of the Holy Spirit. The Bible does

not glorify competition. In talking about God's church, neither will I.

JBIB

The Nature and Purpose of Work and Productivity

Galen Smith and Bert G. Wheeler
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The authors discuss the importance of the work-rest cycle for daily living.

As the bell tolls for the beginning of a new millennium, the hectic pace afforded our lives in the 20th century is apparent. It is difficult to find the rest so often needed and required. Our lives fly by at a pace difficult to maintain and sometimes impossible to enjoy. At times, the beauty of God's creation and God's dealing in our lives pass as a gentle breeze blowing above the opening of a volcano. What will be the pace of the 21st century? Will rest become a true priority to the children of God, or will life continue at a pace so rapid as to interfere with one's walk with the Master? To understand the nature of rest, and in particular the Sabbath-rest in Scripture, one must first come to a theological understanding of God's purposes for work and productivity in the created universe.

Work plays a substantial role in all of our lives. Whether one has primarily a "muscle or a mind" job, labor and productivity are an important part of each of our lives. In the creation, God

worked both as a "hands-on" worker as well as in a professional, supervisory capacity.

It is not an exaggeration to say that God is depicted in Genesis 1 and 2 first as a white-collar worker and [then] as a blue-collar worker because we see in Genesis 1 such activities as planning, designing, issuing instructions, and managing. But He is also seen as a blue-collar worker, mainly because he depicts Himself as an artisan, in particular as a potter, forming and fashioning things with His own hands. So when God made man in His own image, male and female, He made us as workers, too (Colle, 1995, 2).

God also acts as a "gray-collar" worker (an individual responsible for tending and maintaining machinery and information flows). He is actively involved with His creation, providentially intervening to maintain and sustain our world.

The Meanings of the Word Work in the Scriptures

In order to gain a biblical perspective of work, one must determine some of God's intended purposes for work. A good beginning point will be a brief overview of the Hebrew and Greek words used for work in the Bible. These biblical words and their etymology reveal a variety of nuances and shades of emphasis, which help broaden and deepen our concept of work.

First, the Hebrew word *abad* conveys the idea to work or to serve. A derivative noun *abodah* also has the perspective of labor or service. The Greek word *ergon* carries the thought of rendering service. Certainly work can be viewed from the perspective of that which allows us to serve or minister to the needs of others and attend to the common good. "He who has been stealing must steal no longer, but must work, doing something useful with his own hands, that he may have something to share with those in need" (Ephesians 4:28). Service to others is emphasized in the scriptural words for work.

Another crucial emphasis that comes out of Hebrew and Greek derivatives for work is the concept of worship. The idea in Hebrew is "to do" or "to

perform" and, by implication, "to do" the law of God. This "doing" is closely connected to the idea of "worshiping God" as demonstrated by a life of obedience to Him. The Reformers picked up on this concept when they considered one's work as worship and occupation as constituting a "calling of God." It is purported that a Christian cobbler asking how he could let his customers know of his Christian faith once approached Martin Luther. The cobbler's idea was to put a cross on the bottom of each shoe. "Martin Luther's reply was classic; 'A Christian cobbler is not known by whether he makes a cross but by whether he makes a good pair of shoes'" (Augsburger, 1989, 65). Indeed, both in its process and its product, work should be a demonstration of our worship to God and should reflect favorably on the glory of God.

It is the Marxists who see man as "manufacturing man," whose productivity is the essence of his humanness. It is the Bible that sees man as "worshiping man," a man who works indeed, but then lays aside his work on the seventh day or the first day of the week in order to worship (Colle, 1995, 3).

Within the Hebrew word *yaga* and the Greek *kopos* is articulated the idea of labor, work, or productivity which is carried out to the point of utter physical exhaustion. This is the Greek word used in I Thessalonians 1:3 when it speaks of a “labor of love.” The implication is that our love is demonstrated through our exertion on another’s behalf, even to the point of weariness.

Lastly, as we look at the Hebrew and Greek words for work, work is shown to be a demonstration of obedience to a sovereign authority. This is partly revealed in the above ideas of service and worship, but also comes through clearly in Ephesians 6:5, “[S]laves, obey your earthly masters with respect and fear, and with sincerity of heart, just as you would obey Christ.” This facet of work is reflective of God’s design in the constituted authority structures of life.

The Purposes of Work

To understand the theological purposes of work, one must begin with the cultural mandate to subdue and exercise dominion over the created order. This cultural mandate is stated in Genesis 1:28, “God blessed them and said to them, ‘Be fruitful and

increase in number; fill the earth and subdue it. Rule over the fish of the sea and the birds of the air and over every living creature that moves on the ground.’”

In fact, history could be viewed as mankind laboring and producing in order to carry out this dominion covenant. Much of the activity of man through history is the operationalizing of the “dominion covenant” or “cultural mandate.” This is accomplished by the transforming of the created order and can be viewed as the reworking of the raw materials that God created *ex nihilo*.

Translated “subdue,” the Hebrew word *kabash* means to bring under subjection. The concept is to tread down and bring into bondage. The word translated “dominion” is the Hebrew word *radah*. This is usually used in connection to a King and his subjects, but it can mean to prevail against or to trample under foot. “*Radah* comes from a word meaning to prevail against or to trample down and suggests the image of one treading grapes in a winepress in order to secure their juice” (Kantzer, 1989, 22).

Man’s first assignment in carrying out this “dominion covenant” is reported in Genesis

2:15, which states, “The LORD God took the man and put him in the Garden of Eden to work [*abad*] it and take care of [*shamar*] it.” Combining the meanings “to work” and “to take care” provides the idea of conservation, maintenance, or preservation. In addition, the words connote the idea of improving and causing something to be productive and fruitful. So certainly one of the divine purposes that God intended for work and production was the purpose of taking the created order of raw materials and not only preserving them but actually causing them to be transformed into a more fruitful and usable form.

Even with humanity in its fallen state, work and labor may still reflect man’s attempts to fulfill this commandment. Man’s labor and energy used to transform the created order constitute a reversal of or a retardant to the effects of the Fall and its curse. In this context, production and work then are an “impeding factor” to the Second Law of Thermodynamics.¹ The grass in the lawn will overgrow unless you mow it. Automobiles will rust unless someone utilizes labor to wax and protect the car from rust.

This tendency towards decay was introduced at the Fall. Mold will form on cheese and bread unless the energy of the refrigerator impedes the molding process. The Fall introduced decomposition into God’s creation. In order to delay this decay, work and energy must be exerted.

After the Flood, the words “subdue” and “dominion” are noticeably absent from the text of the Word of God. This noteworthy absence is because work has taken on a slightly different character after the Fall. Work and productivity, instead of having a primary emphasis of subduing and dominating, now provide preservation and maintenance. This is simply a shift in the shade of emphasis. Restoration of the creation from the curse of the Fall is a future promise.

Yet another crucial purpose for work is given in I Timothy 5:8, “If anyone does not provide for his relatives, and especially for his immediate family, he has denied the faith and is worse than an unbeliever.” Consider again Ephesians 4:28, “He who has been stealing must steal no longer, but must work, doing something useful with his own hands, that he may have something to share with those in need.” Labor is a means whereby

needs are met. This takes place at the individual level as well as in the family and community. Work and fruitful productivity constitute God's designed method of meeting physical needs. This does not preempt His ability to supply our needs more directly (manna, quail, etc.), but it does suggest that work was his primary intended method of supplying essential material needs.

God has also designed work to be a method through which man can exercise inventiveness. God imputes value to his created works (Genesis 1:31). "God saw all that he had made, and it was very good." Because he bears God's image, man is able to assign or impute value to what he does and what he makes. Within the makeup of man is a need to ascribe value to the creation of his hands. He must do so because he is an image bearer—*imago deo*. In transforming and changing the raw materials of God's creation, men and women in a truly reflective way mirror God with the value they ascribe to the work of their hands.

Through his work, man has the opportunity to most precisely express the creative aspect of the image of God. Our creation in the image of God being expressed through the product of our hands

and minds is clearly seen in the small child who works with play dough to design and create something at his level of ability.

To be meaningful ... work needs to have an element of creativity. Workers must be able to see part of themselves in the finished product. They must be able to say, "I made it. I see my personal touch in the final product. When I see the product I feel a sense of pride because I made it" (Chewning, Eby, & Roels, 1990, 86).

This implies a subpurpose of work and work's routine; work can be therapeutic or possess a healing nature. When one is struggling with mental fatigue or even struggling with feelings such as unworthiness and low self-esteem, work and work's routine can be the catalysts that serve to reinstate therapeutically that subjective sense of the creative image of God in our own personhood.

Another purpose is that labor and work serve as ministry opportunity. For example, our work can open an avenue to share and live out the gospel before a needy and hurting world. Daily labor may be more than "another day, another dollar."

For the believer, the opportunity may arise to serve and share the gospel of Christ in a very tangible way. The result may "be another day and another soul nurtured into the kingdom of God." This, of course, must be done with propriety. As Christians we owe our employer a "full day's work for a full day's pay." But certainly the occasion may arise where with discretion and propriety the gospel may be shared.

In addition, the process of our labor reveals a further purpose of work. If our labor is completed with a good attitude, graciously and energetically, we give a testimony of the grace and provision of God in our lives.

The process of how we perform our work may be a lost and dying world's only exposure to the gospel. We must allow the light of God's grace to shine through our lives so our colleagues "may see your good deeds and praise your Father in heaven" (Matthew 5:16). This is not only expressed in the content of our jobs (what we do), but also in the context (how we do our work). Labor that may not be traditionally considered

"Christian ministry" must be done to the glory of God (Colossians 3:17).

Work can also become the means to make another person successful. One's accomplishments in work and life and for the Lord would not have been possible without the hard work and long hours of others. Conceptually, humanity resembles bricks in a large building where people and their work provide support, mutually undergirding one another in productive enterprises and successes. Through all of life God must receive the glory. Perhaps the key purpose intended by God for work is to illustrate to

Through his work, man [can] express the creative aspect of the image of God.

us the concept of working and resting in Him. Ultimately there is

coming a final rest (Sabbath-rest). This final rest would be made possible through the death of His own dear Son, the Lord Jesus Christ.

Scripture clearly reminds us that God rested from His labors and His creative activities (Genesis 2:2). God intends us to live balanced lives. He created the necessity of work for His children and thus built labor into the texture and fabric of our existence. However, the text of

Scripture is also clear that the principle of work-rest permeates the entire realm of His creation. The work-rest dichotomy is built-in to God's order. It is so common, people seldom stop to consider the importance of adhering to and the consequences of disobeying this principle.

The Work-Rest Cycle

Implicit within God's design for His creation is the necessity of the created order to obey the work-rest or tension-release cycle. Not only did He build this rhythm into His design for the planet, but He Himself serves as the living illustration of this pattern.

This principle is also applicable to the things made by man himself. Even such things as capital equipment and machinery must obey this mandate. A piece of machinery must be given intermittent periods of rest and "off-line" times or its depreciation will be accelerated. God allows for freedom of choice and expression thus allowing spontaneous and meaningful worship of Himself through our work and rest. The work-rest cycle will be violated only at great cost to our physical and spiritual well-being. Humans are not designed to be continually

"on." We must have our "off" times. The "off" times serve to refresh, renew, and regenerate our ability to work and be productive.

The One-out-of-Seven Principle

God established a one-out-of-seven ratio when He instructed us and modeled for us the work-rest cycle. People need not be rigid and force rest on every seventh part of every activity. It is crucial, however, that humanity recognizes God's design in this area. People are dependent beings and must implement the principle in our lives in creative yet consistent ways.

The Lord created or worked six days and then rested on the seventh day. The Lord's primary purpose in His own resting was not due to a depleting of His energy or resources. God's rest was carried out with the primary intent to instruct and illustrate people's need to follow this cycle in our individual lives. God created humanity with a need to replenish strength and renew perspective through times of rest.

Remember the Sabbath day by keeping it holy. Six days you shall labor and do all your work, but the seventh day is a Sabbath to the LORD your God. On it you shall not do any work, neither

you, nor your son or daughter, nor your manservant or maidservant, nor your animals, nor the alien within your gates. For in six days the LORD made the heavens and the earth, the sea, and all that is in them, but he rested on the seventh day. Therefore the LORD blessed the Sabbath day and made it holy (Exodus 20:8-11).

This passage illustrates God's design and makes the work-rest cycle normative for all humanity.

The Desire for Balance

Life is made up of cycles. The work-rest cycle is only one of the many cycles God has built into His creation. Ecclesiastes 3, for example, pulsates with cycles in constant refrain: "a time to ... and a time to" Verse 7b gives a glimpse of the tension-release cycle in communications when it states, "A time to be silent, and a time to speak." This passage describes the balance God has designed for life. The Psalmist addresses balance in productive activities when he states, in Psalm 127:1-2,

Unless the LORD builds the house, its builders labor in vain. Unless the LORD watches over the city,

the watchmen stand guard in vain. In vain you rise early and stay up late, toiling for food to eat—he for he grants sleep to those he loves.

One can sense the balance in production God wants us to have between trusting in Him and serving others through our own efforts.

Consider a passage such as Ecclesiastes 4:5,6—"The fool folds his hands and ruins himself. Better one handful with tranquility than two handfuls with toil and chasing after the wind." Note the balance of the work-rest cycle. The Scriptures are clear people are not to be slothful, but on the other hand they are not to be workaholics, making an "end" out of work and materialistic acquisition. This behavior constitutes idolatry. Humanity is to blend the cycles and rhythms of life with faith and trust in a sovereign and loving God.

Jesus mentors and models a lifestyle for his disciples that elucidates the rhythms of life. Consider the following admonitions. "Come with me by yourselves to a quiet place and get some rest" (Mark 6:31). Many Scriptures enforce the expression "you need to come apart or you

will come apart.” Matthew 8, Mark 4, and Luke 8 all give accounts of Jesus falling asleep and resting even in the midst of great storms that would keep any of us awake. He was often departing to a solitary place to be alone. He was practicing not only what He Himself needed in His human estate, but what He knew the disciples needed as well.

The Work-Rest Cycle Applied to Land

One of the best biblical supports for this tension-release cycle is its application to land. Listen to God’s restatement of the work-rest cycle, especially as it applies to the soil.

For six years you are to sow your fields and harvest the crops, but during the seventh year let the land lie unplowed and unused.

Then the poor among your people may get food from it, and the wild animals may

eat what they leave. Do the same with your vineyard and your olive grove. Six days do your work, but on the seventh day do not work, so that your ox and your donkey may rest and the slave born in your household, and the alien as

well, may be refreshed (Exodus 23:10-12).

The passage describes the instituting of the Sabbath year. This “year off” allowed the earth and soil to “take a nap.” During this resting time, nutrients in the soil are restored and the land becomes even more productive and fruitful. If the Sabbath year rest for the land was violated, God knew the soil would become depleted of necessary nutrients which allow the soil to give forth abundantly.

The tentacles of the work-rest cycle entangle themselves in the arena of care for the poor. How society should go about meeting the needs of the poor, the stranger, and the sojourner is addressed in instituting the Sabbath year of rest for the land. The poor were to benefit from the

leaving of the vineyards and land on the seventh year. One is struck with the rather

thorough “social security” system God designed for the nation of Israel through family, the Sabbath year, the Jubilee year, the Leverite marriage principle, etc. Such government-sponsored programs as food stamps,

Medicare, and Medicaid were not needed, and yet God was able to meet the basic needs of those less fortunate. And of course the Jews were to count off seven Sabbaths of years and institute the year of Jubilee on the 50th year. The Jubilee year was also a form of release and rest. But in addition to the land resting, there was a release of debts by fellow Israelites.

God was quite serious about the Jubilee and Sabbath years. They were intended to give insight into the dynamics of the reversal of the curse upon the land. God was always illustrating with a variety of object lessons that an ultimate Sabbath-rest is coming. The ultimate Sabbath-rest was to come through the Messiah. God was intent on Israel obeying his dictates in reference to these years of rest and release. Recall the primary reason for the Babylonian captivity was that the nation failed to keep and obey the clear principle of the work-rest cycle. God collected one year for each seven years that Israel had violated the Sabbath-rest. Thus they were in captivity for 70 years because of profaning the Sabbath for a period of 490 years.

He carried into exile to Babylon the remnant, who

escaped from the sword, and they became servants to him and his sons until the kingdom of Persia came to power. The land enjoyed its sabbath rests; all the time of its desolation it rested, until the seventy years were completed in fulfillment of the word of the LORD spoken by Jeremiah (II Chronicles 36:20-21).

The Work-Rest Cycle: Its Prophetic Implications

To the Israelites, this cycle served, along with the feasts and holy days, as a porthole or picture window through which to peer and see the divine and spiritual implications of the coming Messiah. He would give them rest from their sins and ultimately a Sabbath-rest. But the Israelites failed to see, as if blinded, and they missed and even stumbled over the divine point of these illustrations.

Ultimately both Jews and Gentiles are to enter into a Sabbath-rest through Christ’s accomplished work on the cross. Rest is pictured in the Bible as the fruit of an obedient and faithful life. Listen as the writer of Hebrews talks of this “final rest,” this “Sabbath-rest.”

Now we who have believed enter that rest ... There remains,

then, a Sabbath-rest for the people of God; for anyone who enters God's rest also rests from his own work, just as God did from his (Hebrews 4:3, 9, 10).

The entire context of the above passage is that many of the Jews failed to enter into that sovereign rest because of disobedience. But He says again to them and to us, "Today if you hear His voice do not harden your hearts." Yet also there is a real sense in which we enter God's creative rest now. The requirement for entry for the Jews and the Gentiles is faith in the finished work of the Lord Jesus Christ, the Messiah. In Hebrews 4, the writer reaffirms that to all there is coming an eschatologically complete and restorative rest. "There remains, then, a Sabbath-rest for the people of God."

The Sabbath-Rest: Its Meaning

The Scriptures use this concept of Sabbath-rest in several ways. Consider the following.

- The Sabbath-rest represented for the historical Jew the entry into the "promised land." This is the context of Hebrews 4:1-10.

- For the Christian, the Sabbath-rest can legitimately

represent salvation. The use of an aorist tense participle (the ones having believed) in Hebrews 4:3, "Now we who have believed enter that rest," indicates believers enter the Sabbath-rest. If one contemplates the nature of the restorative dimension of redemption, and that one may present no works to God to accomplish his own salvation, it is easy to understand this as "redemptive rest" (Bruce, 1964, 73).

- In the Hebrew text there is a current sense in which the believer has entered into this Sabbath-rest. This is also confirmed in such passages as Matthew 11:28-29, "Come to me, all you who are weary and burdened, and I will give you rest. Take my yoke upon you and learn from me, for I am gentle and humble in heart, and you will find rest for your souls."

The Christian's rest might be called a "sanctifying rest." It is the rest the "saint" of God experiences in the midst of trials and tribulations as one journeys through life.

- For the believer, there are two senses in which this concept of "rest" is used in an eschatological way. (1) Saints look forward to heaven. "I am going there to prepare a place for

you" (John 14:2). "Instead, they were longing for a better country—a heavenly one" (Hebrews 11:16). Even Moses and Elijah on the mount of transfiguration spoke to Jesus about "... his departure, which he was about to bring to fulfillment at Jerusalem" (Luke 9:31). The reason Christ's departure was on Moses' and Elijah's minds is they were "in heaven on credit," and the crucifixion would pay in full their sin debt. (2) There is coming a perfect eschatological rest, which is a "confirmation in holiness." The curse placed on the created order will be lifted and the degenerative nature of the curse will be reversed.

He who was seated on the throne said, "I am making everything new!" ... No longer will there be any curse. The throne of God and of the Lamb will be in the city, and his servants will serve him (Revelation 21:5; 22:3).

The Sabbath-Rest: Its Cultural Implications

The Sabbath-rest must be examined from a culturally integrative perspective. When we individually or corporately violate God's laws, there will be consequences. The spiritual

significance of this Sabbath-rest has not been altered since the Old Covenant in the mind of God. If we sacrifice our worship for work, if we become a nation of workaholics, we will pay dearly. If we sacrifice our children and our marriages on the altar of constant activity, we, like Israel, will be carried away into captivity. Our bondage is ultimately spiritual. We are shackled to the god of work, unable to worship God freely and serve one another with joy. If we continue to draw the blanket of activity and noise over our contemplative times, we will surely die. Even as the Israelites were warned, "Observe the Sabbath, because it is holy to you. Anyone who desecrates it must be put to death" (Exodus 31:14).

Sabbath-Rest: Re-Creation, Not Inactivity

The rest portion of the work-rest cycle is not total inactivity, but an inviting of God into our activity, causing our labor and productivity to be a ministry to the glory of God. F.B. Meyer captures this thought so vividly:

We are not summoned to the heavy slumber which follows overtaxing toil, nor to inaction or indolence; but to the rest which is

possible amid swift activity and strenuous work; to perfect equilibrium between the outgoings and incomings of the life; to a contented heart; to peace that passeth all understanding; to the repose of the will in the will of God; and to the calm of the depths of the nature which are undisturbed by the hurricanes which sweep the surface, and urge forward the mighty waves. This rest is holding out both its hands to the weary souls of men throughout the ages, offering its shelter as a harbour from the storms of life (Meyer, 1950, 73).

A definition has been provided for the work-rest cycle. Its importance in Scripture and the overall scheme that God intended for the work-rest cycle in teaching integrative truth eschatologically have been shown. In conclusion, one must examine a few practical outworkings of this principle in life.

The Work-Rest Cycle: Some Practical Implications

If God intended land, machines, beasts, and people to all rest, one would expect to find numerous illustrations and examples in life of either adherence to this principle or

observed consequences of its violation. Beginning with one's favorite easy chair or favorite hobby, types of relaxation can be examples of adhering to God's rest in our own personal lives. Of course, anything can become an idol in our lives, but an adequate amount of recreation to the glory of God is pleasing to Him.

All through creation this work-rest principle is at work. For example, take the common bow. The bow must be unstrung when not in use or it loses its ability to be productive in giving arrows accurate and sustained flight. The speed of machinery must be governed and shut down regularly for maintenance or excessive depreciation will result.

Often students will ignore this rest portion of life. During finals week, they will often work beyond their capacity, staying up long hours to study. This leads to loss of productivity and lower levels of performance (test results). Once the student does rest, it may take several days to recuperate. Students may use the colloquial term "crashing." Perhaps a more biblical analysis to describe this phenomena would be "a violation of God's intended rest cycle." It is imperative people include this concept of the

rhythms of life and, in particular, the rest rhythm into their personal lives. Each person has a personal productivity cycle. Everyone should become aware of how God designed each of us to carry out the work-rest cycle. Only by obeying this "rest" in our own lives can His reputation be enhanced among those who watch our daily activities. Each person has a unique productivity cycle. Some are at high levels of productive output in the morning, some at midday, and others in the evening hours. Some are even bimodal in their efficiency times. A professor at Cedarville College indicates that he reaches maximum efficiency in the middle of the morning, has a low around noon, but recovers by mid-afternoon.

To understand when personal productivity is highest and lowest is important to understand God's design and becoming wise in Him. Also, to understand this cycle in others will aid in overall team output and harmony. This understanding is a key to being more gracious to one another. This understanding is important to have effective and

efficient communications. People best communicate with one another when both are at high productivity times.

Students sometimes experience low productivity in an 8 a.m. class. Instructors teaching at this hour usually choose the early morning hour and may very well be at peak productivity. Classes at an early hour are very difficult for some students.

Understanding some of these basic corollaries to the work-rest cycle and how to keep productivity at higher levels and honor God with rest is crucial in understanding burnout in the ministry. Also, scheduling a college faculty or staff committee meeting will be influenced by the work-rest cycle. Maximum efficiency and productivity from a group of people with differing work-rest cycles can only be attained by considering individual's rhythms.

This cycle is clearly evident in agriculture. A number of years ago, the government instituted "set-aside" programs. The purpose of these programs was to "set aside" land so the supply of certain crops (for

Everyone should become aware of how God designed ... us to carry out the work-rest cycle.



example, soybeans) would be restricted, thus driving up price. Farmers all over the country set aside land in order to get a refund from the government. The land was allowed to take a rest. When it was brought back “on line,” the soil was so fruitful that it yielded a crop that more than made up for the year that the land was allowed to rest. The results, of course, were just the opposite of what the government policy framers had intended. The bountiful crop that resulted from the rested land depressed prices and farm income. This is another clear illustration of God’s intended design for His creation.

Another example, clearly reflective of the cycle, is the use of the traditional “coffee break” in companies. Employers can actually get more productivity from a laborer in seven hours allowing “coffee breaks” in the morning and afternoon than out of eight straight working hours. This is true because a break in the tension of the day is needed every seventh part. When a break is taken in the morning and afternoon, it refreshes and restores the employee. Because of refreshment, productivity is enhanced. Executive quiet times or meditative times serve the same purpose. The birth of a baby

clearly demonstrates the rest cycle. The process of labor is one of exertion and release. The mother “pushes” then “relaxes” in the birthing process. Even in speaking, the use of humor and breaking the tension of the audience is a well-known technique to increase learning.

Conclusion

By following the work-rest cycle in these practical ways, one is able to glorify God by conforming to His will for the amount of work we are able to accomplish. It is only by subjecting ourselves to God’s work-rest cycle that we are able to regain the control over the hectic pace dictated by our culture. The pace of life in the 21st century may accelerate, crowding out time necessary for the truly important things in life. Believers must learn the lessons in God’s Sabbath-rest if we are to be vessels fit for our Master’s service. To capture the new millennium for our Lord and Savior, we must take the time needed to rest and recover, that we may be able to serve at full potential.

ENDNOTES

¹The Second Law of Thermodynamics states that unless an external source of energy is

introduced into a system, the system will move to a state of disorganization, chaos, and decay.

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