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THE DIGNITY OF MAN AND BUSINESS ENTERPRISE IN REFORMED THINKING

by W.R. Mohon

ABSTRACT

This thesis surveys literature of the Reformed tradition in twentieth century North America and relates the Reformed doctrine of the dignity of man to business enterprise in such a way as to illuminate the relative strengths of this position in comparison with prevailing contemporary attitudes.

Chapter 1. Introduction

States the purpose of the thesis, describes the Reformed literature surveyed, the method of approach and limits observed and indicates the anticipated results.

Chapter 2. The dignity of economic man

Outlines contemporary attitudes to work and workers, brings to bear upon these subjects the Reformed doctrines of man as the image of God and work as a vocation from God and states and evaluates the implications of the Reformed teaching.

The dignity of man in relation to the organization of economic activity:

Chapter 3. (1) Man in relation to things

Outlines contemporary trends in connection with man in relation to things, brings to bear the Reformed doctrine of the dominion of man and states and evaluates its implications in this connection.

Chapter 4. (2) Man in relation to others within the firm

Outlines contemporary approaches to human relations within the firm and relates the Reformed doctrine of covenanting to this matter stating and evaluating implications of the doctrine.

Chapter 5. (3) Man in relation to others in the economic community

Outlines contemporary economic systems and their bearing upon the dignity of man and states and evaluates the implications of the sovereignty of God in relation to the structure of the economic system.

Chapter 6. The dignity of man and the rewards of work

Outlines contemporary thinking in connection with the rewards of work and brings to bear the Reformed doctrine of stewardship upon this subject. Implications of the doctrine are stated and evaluated.

Chapter 7. Conclusion

Reviews the thesis, stating the general conclusions and indicating avenues for further investigation.

THE DIGNITY OF MAN AND BUSINESS ENTERPRISE IN REFORMED THINKING

by

William Roy Mohon

Submitted for the degree of M.A. in the Faculty of Divinity, University of Durham

1987

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<u>Chapter 1</u>

INTRODUCTION

The subject of this thesis is "The dignity of man and business enterprise in Reformed thinking." This first chapter is concerned with the following introductory matters: (i) economic models; (ii) the purpose of the research; (iii) the limits which have been observed; (iv) the literature surveyed; (v) the method of approach; and (vi) the anticipated findings.

No apology is made for bringing Christian thought to bear upon economic matters. Twenty years ago J.L. Hanson indicated the importance of this in the following words $y \neq z$

There is ... at the present time a tendency to break down the barriers that had been built up between economics and the other social sciences - ethics, theology, politics, sociology and psychology. Not so long ago it used to be emphatically stressed that ethical or political aspects of economic problems were not the concern of the economist. Some modern economists still hold this view, but others are not so sure.

A practical problem may be considered purely from the economic point of view, but if the economist looks upon its solution simply as an intellectual exercise it is likely to bring the study of economics into disrepute. It is well for the inquirer to isolate economic considerations to secure clarity of thinking; but, having done so, it is important then to discover whether his solution conflicts with the findings of workers in other fields. Economic questions are often inextricably entangled with ethical or political implications.¹

(i) Economic Models

Before proceeding further it will be as well to say something about economic modelling. The economic model describes structures within an economy and is used to study the effects of changes. The model must first be planned and <u>constructed</u>. It can then be <u>tested</u> against data with known outcomes to illuminate how far the model mirrors reality. If a particular model stands up well to testing in this way, some reliance can be placed upon it as a viable system likely to produce accurate forecasts. The model can then be applied to contemporary problems and <u>predictions</u> can be made about likely outcomes. The more accurate these predictions prove to be the greater the viability of the model is seen to be. A model may have value for further study even though it may not be a complete description in itself. Indeed it is presented so that <u>continuing research</u> can refine and expand it. Development may result from further research into major areas of the model so that these can be improved. As the structure is filled out it may be found to be consistent with and capable of union with models dealing with other areas of economics, and development can take place in this way. Thus there is a place for separate contributions which will help towards a more complete model.

It is maintained in this thesis that the traditional economic models give insufficient attention to human personality and dignity and that this has worked to the detriment of those customarily described as "Labour". The degree of abstraction involved in seeking to provide a thoroughly scientific model has militated against the interests of the worker because the application of abstract models has led to man who is in the image of God being assimilated into an abstract world. Instead of the models being adjusted in the light of what man is, considerable progress has been made in adjusting man to what the model requires him to be. Professor Brian Griffiths distinguishes between the real world and the "intellectual constructs which the economist imposes on the market place in order to be able to predict the outcome of expected changes." He refers to the principal assumption as being that of "rational economic man, always concerned to calculate the way in which his self-interest is affected by a change in any economic variable." He goes on to say,

Such abstraction is of the essence of science and thoroughly legitimate in answering certain questions. For economics, however, the crucial problem occurs when one attempts to

apply the result of such theorising to the real world. Abstraction is fine for certain purposes providing one is equally careful about re-integrating the results of this approach for the kind of world in which we live, because the real world is not made up of rational economic men.²

This thesis is concerned with this problem of re-integration and seeks to present ethical and religious parameters which are indispensable to a real world economic model which is consistent with man's dignity as being in the image of God. The Reformed tradition has a distinguished history of bringing Christian theology and ethics to bear upon the world of business. John Calvin himself dealt with such topics as dominion over the earth for the glory of God, industriousness, private property, stewardship, the use of wealth, saving, the denial of equality of economic goods and usury.³ This emphasis within the Reformed tradition is not merely a by-product but stems from the central truths of Divine sovereignty and human vocation. As John Murray explains:

We must be bold to say that the Christian revelation does not allow us to do anything less than to formulate and work towards a Christian world order in the life that we now live. It is not difficult to demonstrate the validity and even necessity of this thesis.

The standard of thought and the rule of conduct for us are divine obligation. The rule and standard for us are the irreducible claims and demands of the divine sovereignty, and these irreducible claims are that the sovereignty of God and of his Christ be recognized and applied in the whole range of life, of interest, of vocation and of activity. That is just saying that the demands of the divine sovereignty make it impossible for us to evade the obligation to strive with all our heart and soul and strength and mind for the establishment of an order that will bring to realization all the demands of God's majesty, authority, supremacy and kingship. And this, in a word, is simply the full fruition of the kingdom of God, wherever we are, and in the whole compass of thought, word and action.⁴

(ii) Purpose

The purpose of this exercise is to relate certain Reformed doctrines relevant to business enterprise to the contemporary scene in such a way as to illuminate the relative strengths of this position. James Gustafson in his <u>Theology and Ethics</u> refers to the strengths of the Reformed tradition in connection with ethics. He mentions three elements in particular in the following quotation, ;

- A sense of a powerful Other, written about in the post-Calvin developments as the sovereignty of God.
- (2) The centrality of piety or the religious affections in religious and moral life...I mean an attitude of reverence, awe, and respect which implies a sense of devotion and of duties and responsibilities as well.
 - (3) An understanding of human life in relation to the powerful Other which requires that all of human activity be ordered properly in relation to what can be discerned about the purposes of God.⁵

As we proceed it will be seen that these elements surface again and again. The doctrines considered in the thesis will be the following: the doctrine of the dignity of man as being in the image of God, the dignity of work as a vocation from God, man's dominion, covenant theology, the sovereignty of God and man's stewardship. These will be applied in such a way as will develop a Reformed economic model which will have due regard to man's dignity in connection with work, its organization and rewards. Chapter 7 will be used to draw together the salient points outlined and will seek to indicate avenues for further investigation with a view to improving existing attitudes and structures in a more radical way.

(iii) Limits

In order to keep this treatment of the dignity of man in relation to business enterprise within reasonable proportions several important limits will be observed. (a) A comprehensive analysis of different contemporary views will not be attempted as this lies outside of the scope of this work. Instead representative authors will be selected at each point in order to illustrate the general trends. (b) With respect to the image of God itself, one major limitation must be

mentioned. I am presupposing a Creation - Fall - Redemption situation and that it is the task of soteriology to answer to the individual need for restoration and renewal in the image of God. Consequently this work does not address itself to this important subject. Its focus is upon structural matters. This is not to suggest that structural change is a substitute for subjective change. As John Murray explains,

A person is never in the proper exercise of those attributes that define personality except as he exercises those attributes in the whole-souled love and service of God.

This thesis is therefore developed on the basis as to how we will view man in his economic enterprise if we seek to frame things in accordance with man's original dignity as God's image-bearer. It is not disputed that evil has entered into economic enterprise, nor that each individual must seek personal renewal but it is recognized that structural changes consistent with the character of God and man's image-bearing are to be pursued even in a sinful world because God is glorified by it. (c) The treatment of the economic environment is capable of almost indefinite extension in consequence of the dimensions of the subject. It enters into this work in connection with the dignity of man in relation to the organization of economic activity. The material in Chapter 5 will therefore be limited to the specific problems that arise in connection with the need for sovereignty in the social life of moral beings. (d) Some may be disappointed that a more comprehensive model is not presented in what follows. To have attempted to do this would have carried matters too far away from the central focus of the dignity of man and would have required a treatment of monetary theory and public finance. Some would even question the legitimacy of producing comprehensive programmes and would regard the Christian faith as better suited to exercising a critical role with respect to politico-economic policies. It is intended, however, that the

conclusions of this work will be presented in Chapter 7 as a coherent model. This is because the various parts may evoke criticisms which cease to be relevant when the parts are drawn together and seen as a whole. Hopefully by employing this method the general guidelines will be more clearly seen.

(iv) Literature

The principal literature surveyed will be that of the Reformed tradition in twentieth century North America although a wider body of literature will be referred to for purposes of evaluation. Three main schools of thought have been identified within the North American Reformed tradition: (a) Calvinistic scholasticism, (b) Cosmonomic philosophy and (c) the Westminster school. Gordon H. Clark is a representative of the first of these. In his book A Christian View of Men and Things⁸ he deals with a range of underlying philosophical matters but he has no specific treatment of Economics. The Cosmonomic school has however produced a significant amount of literature on the social sciences. This school is associated with the name of H. Dooyeweerd. The main authors consulted in connection with this research will be Harry Antonides, Bob Goudzwaard, Sander Griffioen, Neil J. Roos, Calvin Seerveld and Edward Vanderkloet. The approach of the Cosmonomic school is highly philosophical and is based upon the derivation of a number of law spheres. It is in relation to these law spheres that these scholars develop their socio-economic views and particular reference will be made to this "sphere sovereignty" in Chapter 5. The Westminster school gives greater prominence to the Bible and the difference of method of the two schools would provide an interesting subject for study in itself. This, however, is beyond the scope of this thesis. The Westminster school has been

spearheaded by Cornelius Van Til (1895-1987), who concentrated his attentions upon apologetics and ethics. His basic approach has been taken up by others as being fundamental to a study of economics. As Lee explains,

God made everything in the universe solely for His own glory, ... The divine Trinity or Tri-unity is the root and solution of the problem as to the relationship between all universals and particulars in the universe which He created and which reflects His glory, albeit in a creaturely manner. Everything is accordingly inter-related with everything else under God, and all creation is covenantally subjected to man as its head and crown. Man in his turn is subjected to God, and in subduing the earth, man - both individually and as a community - also subjects himself unto God as his reasonable religion by virtue of his convenantal obligations towards the Triune God, the Creator, Sustainer, Redeemer, and Consummator of heaven and earth.

This approach is consistently Trinitarian and covenantal and it is not surprising that work done by Reformed scholars on this basis should reveal a strong emphasis upon man in the image of God as His steward working under His sovereignty. The main authors referred to for this research include D. Adie, E. Coleson, Gary North, Tom Rose, and R.J. Rushdoony. There are other important authors in connection with this study who did not fit neatly in the above given classification. Reference must be made to John Murray (1898-1975) who, though a Professor of Theology, found time to address himself to ethical matters and has furnished some excellent material in connection with the doctrine of work.¹⁰ Also of importance is E.L. Hebden Taylor who has written extensive works on political science and economics. For theological background G. Vos, J.G. Vos, L. Berkof and F.S. Leahy will be referred to.

(v) Method

Following this introductory chapter there are five chapters in which the approach will be to outline and analyse contemporary attitudes to man in connection with work, economic relationships and rewards to economic enterprise; to state the relevant Reformed doctrines and to relate these to the particular areas. The latter will be done in the light of writings from outside of the Reformed tradition in order to incorporate some measure of evaluation. Chapter 7 will summarize the conclusions of the thesis and map out some areas for further investigation. This overall method has been adopted in order to manifest the distinctives of the Reformed contribution, to underline their relevance and to assess their value in order to stimulate further investigation into these areas and to lead to an application of the findings.

(vi) <u>Results</u>

It is anticipated that the study will underline the advantages of an interface between theology and economics and in particular that it will show the value of bringing to bear the Reformed doctrine of the dignity of man upon the conduct of business enterprise. Not only will the relevance of this doctrine be seen but also the relevance of the associated doctrines of work as a vocation, man's dominion, covenant relationships, Divine sovereignty and man's stewardship. It is anticipated that this research will highlight points which are suitable for further investigation and which will be capable of application in order to improve existing attitudes and structures so that the worker's daily labour might be more consistent with man's true dignity. It will be reward indeed if this thesis speaks to a generation wearied by the bankruptcy of irreligious capitalism and collectivism of a viable alternative of hope which will promote man's dignity and God's glory.

<u>Chapter 2</u> THE DIGNITY OF ECONOMIC MAN

Man in his economic activity has been the subject of extensive investigation. Very diverse opinions exist as to the purpose of work, how it should be organized and what its rewards should be. The problem confronting the serious observer is that the practical applications of the various ideologies leave an unacceptable trail of human suffering behind. The argument is developed in this chapter that a much healthier socio-economic situation will result from a recognition of the dignity of man in his economic enterprise and from a framing of our economic activity in accordance with this dignity.

The chapter begins with an analysis of contemporary attitudes to man and work by focusing upon the two poles of opinion, the capitalistic and the collectivistic. It will be shown that both lines of thinking have been influenced by Adam Smith's <u>homo oeconomicus</u> and that this has set a pattern for economic theory and practice which depersonalizes labour in a way which is incompatible with human dignity. It will be argued that this loss of dignity in economic activity has an antidote in the Reformed doctrines of man in the image of God and work as a vocation from God. Implicit in the Reformed teaching are various necessary approaches to work and workers which will help to guard against man being divested of his dignity in the economic context and these will be stated and evaluated.

The recognized father of modern economics is Adam Smith. Paul Samuelson says of him, ', In the field of political economy, Adam Smith stands first. He is our Christopher Columbus...it was Adam Smith who first created the continent that he came to discover and explore - I mean the continent of political economy itself.¹

It has been in interaction with Smith that both market economics and collectivist economics have developed and it needs to be appreciated at the outset that Smith's political economy was developed from an ethical position which left out the providence of a personal, caring, sovereign God and allowed for the substitution of an impersonal "invisible hand" and a reduction of man in the image of God to economic man. Because this reduced ethical base had a formative influence on Smith's economics which was, in turn, to have such an influence on subsequent generations, it will be as well to say something about the origins of Smith's <u>Wealth of</u> <u>Nations</u>, the historical context in which he was writing, the influences upon his thinking and the fact that his ethical views passed over into his economics.

Smith's <u>Wealth of Nations</u>, like his <u>Theory of Moral Sentiments</u>, had its genesis in his lectures on Moral Philosophy. He took the Chair of Moral Philosophy at Glasgow University in 1752.² His lectures covered Natural Theology, Ethics, jurisprudence and economics. His lectures on the latter formed the basis for his work, <u>An Inquiry into the Nature and Causes of the Wealth of Nations</u>, generally known as the <u>Wealth of Nations</u>. His lectures on Ethics contained the doctrines subsequently published in the <u>Theory of</u> <u>Moral Sentiments</u>. Smith had planned a work based upon his lectures in the third area but this was never executed.³

These major works were written during the closing decades of what has been called "the Age of Reason" (1648-1789).⁴ The latter was characterized by a disregard for the authority of Scripture and

a magnifying of reason. Enthusiasm was suspect and an ethical culture supplanted Christianity. Scepticism increased and confidence was placed in scientific progress. In France, Gallicanism had challenged papal authority. Descartes had given "doubt" the regulative place in human thought. Malebranche endeavoured to reconcile faith and reason. Spinoza excluded personality from God and consequently personal relationship from religion. Leibniz (1646-1716) influenced by all three⁵ paved the way for the so-called "enlightenment" in theology. In England the Cambridge Platonists saw reason as reinforcing faith, and the Latitudinarians used natural theology in connection with the existence and attributes of God to show that revelation was consistent with this reasonable pattern of belief. John Locke sought to demonstrate the existence of God by process of deduction so that faith resulted from rational proof. After Locke, Deism increased in popularity with its emphasis on the primacy of reason and its subordination of the role of revelation, Scripture and the supernatural. Debate was intense between 1720 and 1740 but Deism proved incapable of constructing a system which would have a lasting appeal. However it drew into debate against it men like Bishop Butler who responded on the basis of the reasonableness of religion. It was against such "natural religion" that David Hume, a consistent sceptic, wages war subjecting the traditional arguments for religious belief to a searching analysis. Hume (1711-1776) developed the empiricism of Locke and in 1739-1740 published his three volume <u>Treatise on Human Nature</u>.⁶ It was against this background that Smith was writing and it is not surprising therefore that the spirit of the age is reflected in his works.

Viner speaks of Smith as "<u>the</u> great eclectic", going on to say, "He drew upon all previous knowledge in developing his doctrine

of a harmonious order in nature manifesting itself through the instincts of the individual man."⁷ Smith refers to such writers as Butler, Mandeville, Hobbes, and the Cambridge Platonists among others.⁸ Through his tutor Francis Hutcheson, Professor of Moral Philosophy from 1730 to 1746,⁹ Smith was well acquainted with the Roman jus naturale found in Grotius and Pufendorf and this strongly influenced his thinking.¹⁰ Smith was a great admirer of the sceptic David Hume whom he regarded as a paragon of virtue. This did not prevent Smith from disagreeing with Hume but it has been suggested that such was his regard for Hume that Smith's withdrawal of a paragraph on the atonement in his Theory of Moral Sentiments was in deference to this friend. 11 When the major influences for this latter work are traced they are found to be in non-Christian philosophers. Indeed it has been said that "Stoic philosophy is the primary influence on Smith's ethical thought," and that "it also fundamentally affects his economic theory."¹² Smith gives Stoicism more space than any other philosophical system¹³ and Stoic principles influenced his own views of duty, virtue and self-command. His ethical doctrines in fact blend together Hutcheson and Stoicism.¹⁴ Thus when Smith speaks of a harmonious system under "the great Conductor" whose "benevolence and wisdom have ... contrived and conducted the immense machine of the universe" he is expressing his Stoic ideas in Stoic terms.¹⁵

There is no discontinuity between the <u>Theory of Moral Sentiments</u> and the Wealth of Nations.

Anybody who reads TMS, first in one of the earlier editions and then in edition 6, will not have the slightest inclination to be puzzled that the same man wrote this book and WN, or to suppose that he underwent any radical change of view about human conduct. Smith's account of ethics and of human behaviour is basically the same in edition 6 of 1790 as in edition 1 of 1759. There is development but no fundamental alteration. It is also perfectly 17a

obvious that TMS is not isolated from WN (1776). Some of the content of the new material added to edition 6 of TMS clearly comes from the author of WN. No less clearly, a little of the content of edition 1 of TMS comes from the potential author of WN.¹⁶

If there is any point of difference to be noted for our purposes between the <u>Theory of Moral Sentiments</u> and the <u>Wealth of Nations</u> it is that the latter represents a further step away from Deity. As Viner puts it, "the emphasis in the <u>Theory of Moral Sentiments</u> upon a benevolent deity as the author and guide of nature is almost, though not quite, completely absent in the <u>Wealth of Nations</u>."¹⁷ Whereas there will be many who would see Smith's movement away from orthodox Christianity as an advantage in connection with his economics it is submitted that this constituted one reason for the detrimental influence of his economic theory. In divorcing economics from man in the image of God, floodgates were being opened which would lead to the depersonalization and degradation of the working man.

It is significant that Adam Smith's inquiry into the nature and causes of the wealth of nations should begin with the causes of improvement in the productive powers of labour. In his first chapter he extols the advantages of a division of labour in which a man's working life would be reduced to a single operation which he would perform with monotonous regularity in the interests of increased dexterity and therefore increased productivity. The advantages of specialization have been frequently documented. They include such things as more uniform quality of products, concurrent production of the parts for assembly, increased skill, the use of lower paid workers with simple skills on the less complex parts, reduced learning time and less waste of materials.¹⁸ Smith was much impressed with what amounts to a total rejection of man's 17b

dignity in the workplace. He writes

First, the improvement of the dexterity of the workman necessarily increases the quantity of the work he can perform, and the division of labour, by reducing every man's business to some one simple operation, and by making this operation the sole employment of his life, necessarily increases very much the dexterity of the workman.¹⁹

He finds a good example in the case of pin-making in which Smith observed,

One man draws out the wire, another straights it, a third cuts it, a fourth points it, a fifth grinds it at the top for receiving the head; to make the head requires two or three distinct operations; to put it on, is a peculiar business, to whiten the pins is another; it is even a trade by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations, which, in some manufactories, are all performed by distinct hands ...²⁰

In his enthusiasm for productivity Smith seems almost oblivious to the fact that those hands belonged to people capable of remarkable personal development who were locked into a treadmill existence as routine as a domestic washing machine working through its programme. He was not, however, ignorant of the costs in personal terms of such a mode of production. He catalogues the personal costs in the following words,

The man whose whole life is spent in performing a few simple operations, of which the effects too are, perhaps, always the same, or very nearly the same, has no occasion to exert his understanding, or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him, not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble, or tender sentiment, and consequently of forming any just judgement concerning many even of the ordinary duties of private life.²¹

Though we would not want to endorse the manner of expression here, resulting from Smith's cultural conditioning, this quotation

demonstrates that Smith recognized the serious personal disadvantages of this kind of division of labour. There is evidence to suggest that he was sympathetic to the labourer. He argues for labour being of moderate duration and well paid.²² It seems, however, that in consequence of his persuasive presentation of the advantages of the division of labour²³ he gave more impetus to factory production with its attendant problems and its justification in laissez-faire economics. As P.D. Anthony explains, "Smith had constructed a conceptual framework which was capable of debasement by other, less considerable and less humane men."²⁴ Anthony sees the first stage of this as being "the destruction of any remaining ethical element in the new system of economic concepts."²⁵ As Taylor explains with respect to Smith, "he reduces man to 'homo oeconomicus' in order that he could proclaim universally valid 'laws' of human behavior in the economic sphere." The sad consequence of this was that "In future economic thought homo oeconomicus came to replace real flesh and blood men and was used to justify the exploitation of the workers in the new factories rising up all over Western Europe in the nineteenth century."²⁶ Both communists and capitalists were to take up this economic vocabulary and the associated economic values²⁷ charting very different courses yet producing similar effects.

The theoretical foundation of practical Socialism is found in Marxism. Marx was an admirer of both Smith and Ricardo whom he saw as having given political economy its final shape. He regarded the classical political economy as a decisive stage in the investigation of capitalism, but he was critical of its dependence upon allegedly fixed laws of nature and its failure, as he saw it, to explain the historical sequence which had produced bourgeois production. P.D. Anthony sketches Marx's theory as follows. Men, by producing

their means of subsistence, indirectly produce their actual material life.

The nature of individuals depends on the material conditions which determine their production; production and exchange determine our behaviour and our outlook and it is an illusion to think that our thoughts are independent of the material conditions of our lives.²⁸

Consciousness according to Marx is determined by life. Not only does the nature of the individual depend upon productive forces, relationships between states and the internal structures of states also depend upon the same forces.²⁹ Development of the division of labour leads to inequalities in the distribution of the fruits of production and this introduces alienation and a conflict between the interests of the individual and the interests of the community. The way ahead is for the proletariat to take political power and abolish the old form of society.³⁰ Anthony states:

Marx's prediction of the inevitability of proletarian revolution depends first upon the establishment of his theory of surplus value and of the accumulation of capital. These are essential cornerstones in the construction (or, perhaps, the destruction) that follows because they relate to certain preconditions of a revolutionary situation; the working class must be extensive in numbers and must have been the victim of expropriation, at the same time the contradiction must have been established 'of an existing world of wealth and culture', which presupposes advanced productive development.³¹

In developing his theory of surplus value Marx took over Smith's view that "labour in general" creates value. This concept involved the separation of the person from his labour. As Geoffrey Pilling points out,

Marx again draws attention in his commentary on Smith to the material basis for this step forward. The notion of 'labour in general' was itself possible only in a rapidly changing economy in which the traditional bond between an individual and his labour was being shattered.³² Marx also developed Ricardo's concept of the competition between capitalists and workers. Ricardo saw the worker as shut into an inevitable conflict to maintain and increase wages at the expense of profit. Marx took up this theme of class struggle and incorporated it into his historical analysis of society where economics effectively fills the horizon and the problems of homo oeconomicus explain the sociological tensions. Marx finds the causes of conflict within society in the capitalistic mode of production:

The contest between the capitalist and the wage-labourer dates back to the very origin of capital. It raged on throughout the whole manufacturing period. But only since the introduction of machinery has the workman fought against the instrument of labour itself, the material embodiment of capital. He revolts against this particular form of the means of production, as being the material basis of the capitalist mode of production.³³

Marx's economic interpretation of history leads him to the conclusion that the capitalist system will destroy itself and that this should be accelereated by revolutionary change to sweep away the inherent antagonisms.

Marx's views involve a particular understanding of human nature in which man's economic activity assumes <u>the</u> definitional status. O. Maduro maintains that Marx did not seek to reduce the human person to a homo oeconomicus. Rather he "underlines the importance of the material conditions governing the social organisation of labour for the origin and development of all the other activities which take place in a society. ³⁴ Marx himself saw the capitalists as the ones who degrade the labourer and mutilate him into a fragment of a man. Marx was at least concerned about alienation. ³⁵ He finds broken relationships in the following contexts. Labour is alienated from what it produces.

the more the worker produces the less he has to consume, the more values he creates, the more valueless and worthless he becomes, the more formed the product, the more deformed the worker, the more powerful the work, the more powerless becomes the worker, the more cultured the work, the more philistine the worker becomes and more of a slave to nature. 36

Labour is also alienated from the process of producing what he produces; from nature; from his own vital activity; from his human essence and from other men.³⁷ With respect to the latter,

P.D. Anthony states,

Marx sees capitalist society as producing alienation from other men. Capitalism exaggerates competitive relationships between men and encourages them to pursue their own self-interest, regarding their fellows as means to this end. Capitalism, in a word, develops egoism and egoism leads to the alienation of man from other men.³⁸

Though we might not agree with Marx's interpretation of how the socio-economic conditions had arisen and to what they would lead, it is evident that Marx had pin-pointed a developing problem. Something was happening to the worker which was out of keeping with his personal dignity. The problem for Marxism is how to frame an effective response in terms of <u>economic</u> determinism. As Pilling explains,

In probing to the real nature of man, Marx saw the peculiar feature of human life as arising from his labour, from his continual transformation of nature ...³⁹

Marx's method of establishing both the continuity between man and the rest of nature and at the same time maintaining the difference between them remains within the framework of economic man.

The champions of the free market have fared no better in the preservation of man's dignity in the work situation. In idolizing work they degraded the worker. J. Ellul gives us a generalized snapshot of the situation. He says,

Man is only a machine for production and consumption. He is under obligation to produce. He is under the same obligation to consume. He must absorb what the economy offers him ... The phenomenon we witness here is the birth in reality of the economic man the classical economists postulated. Man is not essentially <u>homo</u> <u>economicus</u>. But the concept is relatively simple; and the pressure of economic events, greater than ever before, has made it necessary to put man through this rolling-mill in order to obtain the indispensable material substratum.⁴⁰

Both as producer and as consumer man has come under pressure to conform to the demands of the economic model.

This can be illustrated from the development of the concentration of capital. The economic scene has not remained one of "perfect competition" with many producers and many consumers. It has become instead one of monopoly, oligopoly and monopsony. A few giant corporations are the main producers in many markets and in some cases the only or main buyers of particular raw materials or In consequence they exert the main influence on supply, products. demand and price. There are many factors which prompt firms operating in a free market environment to pursue growth. The desire for technical efficiency causes firms to seek economies of large scale operation. The giant corporation can diversify its activities and better ensure its own survival. Obtaining a larger share of consumer markets is an additional attraction. Vertical integration to secure control of firms supplying its raw materials puts the large-scale firm in a more secure position in keeping its production line going. By forward vertical integration taking over sales outlets the firm can improve its access to its markets and consolidate its position.

This growth has resulted in important structural developments which have contributed to the increasing impersonalization of economic activity within society. There is the well appreciated divorce of ownership and control in the limited company form of organization. The shareholders have little effective say in the running of the business and usually little interest in the details as long as the profit record is good. Product quality and employee welfare will not concern them. The control of the company falls between the board of directors who determine policy and the professional managers employed to look after the day to day running of the firm. It is this professional management which provides the directors with the detailed data upon which policy decisions will be based and who exert a considerable influence on those decisions. It becomes increasingly difficult to fix responsibility for action or non-action because of elongated chains of command. The whole structure develops in an impersonal way as the lives of thousands of workers are shaped by the various techniques which are formulated by professional managers whom the worker seldom or never sees.

This state of affairs has serious ramifications for people as producers and consumers. The scope for individual entrepreneurial activity in manufacturing becomes very limited. Employment opportunities outside of giant organizations become increasingly restricted. The market place is increasingly dominated by the producer. It is not necessary to demonstrate that this is everywhere and in everything the case. It is sufficient to recognize that the trend is to submerge man as an individual worker or consumer in the mass. He features only insofar as he contributes to output or spends his wage in the market place. In its worst manifestations this is as remote from man in the image of God as the collectivist's economic determinism. Thus on both sides of the politico-economic divide the truncated view of man of the classical economists has become the reality. Homo oeconomicus started out as a theoretical abstraction to enable the development of economic enquiry. As Ellul explains,

It was framed by omitting certain human characteristics, which man undeniably possesses in order to reduce him to his economic aspect of producer and consumer.⁴¹

Had this remained a mere theoretical device it would be less offensive, yet it would still not be entirely satisfactory because human conduct is always the product of the whole person. However, two factors have resulted in this mode of thinking having a seriously detrimental effect upon the working lives of millions. In the first place, man in his politico-economic activity has come more and more to fill the horizon as though other aspects of life are mere appendages. This development has given impetus to materialistic and mechanistic views of man which are at variance with his human dignity in his work. In the second place, the development of a technological environment has tended to fashion man in the image of economic man. Ellul, in his book <u>The Technological Society</u> emphasizes the fact that economic man has become a reality in contemporary society. He denies that homo oeconomicus is a mere abstraction that leaves people unaffected and says,

Technique, and especially economic technique, does not encounter man in textbooks but in the flesh. One of the facts which seems to me to dominate the present epoch is that the further economic technique develops, the more it makes real the abstract conception of the economic man. What was merely hypothesis tends to become reality incarnate. The human being is changing slowly under the pressure of the economic milieu; he is in process of becoming the uncomplicated being the liberal economist constructed.⁴²

It is not difficult to draw attention to various particulars in which the loss of man's dignity is registered.

Many workers are keenly aware that their <u>status</u> at work is not what it should be. They feel a loss of identity and individuality. This is not surprising. Classical economics reduced people with feelings to "labour". This impersonal view of workers has been reinforced by the introduction of technology and the application of highly sophisticated techniques to business. Machines require operatives. Two hundred machines might require six hundred shift workers. The individual worker is 0.167 per cent of the total mass. His "function" is important but he feels that "he" is not. He has been reduced to a replica of the next man. His personal interests, aspirations and circumstances have no relevance in the workplace. All that matters is that he can perform his function. When he cannot another faceless operative will take his place. As Taylor says, "The person has become an anonymous, interchangeable unit."⁴³

In such circumstances a loss of <u>stimulus</u> at work is to be expected. The meaning of work is defined in terms of the necessities or luxuries that the contents of the wage packet will buy. Interest shifts almost completely from the work done to the conveniences and leisure interests that its rewards will finance. The hands may be at work but the mind is somewhere else. The worker may be incapable of identifying with the final product to which he makes a fractional contribution. What satisfaction can he draw from having been involved in producing twenty thousand items which will be utilized by thousands of consumers that he will never meet? We may agree that it is the responsibility of the wage-earner to do the work he is paid to do and to do it well, but we can hardly approve of the organization of work in a way which reduces employment to such uninspiring drudgery.

The worker may be contented with his lot. Almost unthinking repetition of tasks may be adequately compensated for by high wages. If this is so he sacrifices personal development in work for material rewards. He experiences no general increase in his <u>skill</u>. The priority of the workplace is reduced to maximum dexterity in the performance of a single operation in order to maintain or increase output. So to utilize a person who is in the image of God shows an amazing disregard for the latent individual potential of a working life. Working forty hours each week for forty weeks in the year, a working lifetime of forty years yields sixty-four thousand (64,000 hours of work. No society can afford to be complacent about such an input of labour yielding no satisfaction in terms of personal development. To idolize technical efficiency to the exclusion of human factors in production is itself incompatible with the dignity of man.

It may be that the worker is expected to find his personal fulfilment outside of the work place. This would account for the lack of concern about the worker's sense of <u>social contribution</u>. He might be expected to find a role in society outside of his working time but this is to divorce work and the worker from the community and further to dehumanize and depersonalize social relationships. The worker feels no responsibility to or link with consumers that he never sees and they feel no kinship or obligation to the anonymous production-line workers. Thus the sense of belonging to a community and contributing to it is lost. Any respect that might have been enjoyed in the community arising from being known as a good worker is absent. In consequence important ingredients in the cement of society are lacking.

There is also a loss in the work-place of <u>self-discipline</u>. Technique and techology dictate the manner in which and the pace at which the employee works. This introduces an important stress factor. Man is no longer the master of the work situation, he has become enslaved to alien processes and controls. Man has to be further shaped and developed to suit the technical environment. In the process his own intellectual contribution dies off and he must submit himself to the regimented routines of mechanization and scientific management. The inevitable symptoms of resistance have to be allowed for and suitable mollifications introduced into the work patterns. These, however, fail to go to the root of the problem because they do not address themselves to the nature of work as an activity of man in the image of God.

Having been deprived of every return except his wage, the worker realizes that even this is fragile. He faces an acute loss of <u>security</u> within his local community. The concentration of production to satisfy mass markets leaves the worker highly vunerable to changes in output. Cutbacks and lay-offs leave the worker unemployed. To remain in employment he is compelled to be what the world of technique is looking for, namely "an anonymous interchangeable unit". ⁴⁴ He must be capable of occupational mobility in a high degree so that he can move from declining industries to new ones and he must be highly geographically mobile in order to be available in the operating production units. As "labour" he must face the domestic upheavals with the impassiveness of a tonne of coal!

It is, however, in connection with spiritual values that the greatest losses are seen. Religion is seen as irrelevant to the workplace. Man is expected to perform his function and during his working hours this function defines the end and purpose of his being. There is no significance attached to the primary goal of man's existence as stated by the Westminster Shorter Catechism: "Man's chief end is to glorify God, and to enjoy him for ever."⁴⁵ It is this divorce of work from spiritual values which the Christian must challenge to lift man in the image of God from the degradation of an impersonal place of work. If the personal profile of the worker as man in the image of God is made more visible, a new approach to the organization of work can follow, going far beyond compliance with basic health and safety requirements and cosmetic changes to maintain motivation and minimize resistance. The Reformed view of man calls for a much more radical reformation. It is argued in the remainder

of this chapter that man's loss of dignity in economic activity finds its antidote in the Reformed doctrines of man in the image of God and work as a vocation from God. The following themes are relevant: the image and dignity, the image and dominion, the institution of work, work and responsibility, work and vocation and work and dignity. After a brief statement of the Reformed position on these themes their implications for work will be stated and related to views from outside the Reformed tradition.

The writings of Professor John Murray, formerly at Westminster Theological Seminary, provide a useful starting point to review the Reformed doctrines of man in the image of God and work as a vocation from God. This is because we have in his collected works his theological exposition of the image of God⁴⁶ and in his <u>Principles</u> <u>of conduct</u> his own elaboration of the ethical implications in connection with the ordinance of labour. Murray states the significance of the image of God in man as follows:

The divine image defines the distinct identity of man. The fall does not obliterate this radical differentiation, nor does it destroy man's distinguishing identity. The inference is compelling that, since the differentiation is maintained, the character so expressly stated 47 as the differentiating quality, must also be continued.

Man is then in the image of God and it is necessary to know in what this image that defines man in his specific character and identity consists.

Murray sees man as a self-conscious, rational, free, moral and religious agent, and focuses attention on the last two of these characterizations. Man is never non-moral. As Murray says,

The term 'moral' in this discussion refers to responsibility. Man lives and moves and has his being in the realm of 'ought', of duty, of obligation to be consciously and freely fulfilled ... it is the metaphysical likeness to God that grounds obligation, and the fulfilment of obligation consists in conformity to the image of God.⁴⁸

The term "religious" points to the intimacy of man's relation to God. In God alone can man find satisfaction and the aspirations of man's soul are realised in fellowship with God. We are immediately conscious of how elevated is the Reformed view of man as man and of the dignity which belongs to him as one whose specific character as man is defined in terms of the divine image. It is this that prompts us to seek from man in his economic enterprise a responsible behaviour directed to a higher goal than material satisfaction motivated by more than temporal considerations. There is an intimate connection in Reformed thought between man's dignity as being in the image of God, his dominion and his work. As God's image-bearer man was made God's vicegerent upon earth. This finds expression in the eighth psalm in which the psalmist refers to how God made man to rule over the works of his hands and put all under his feet, "all sheep and oxen; and also the animals of the field, the birds of the air and the fish of the sea ... "⁴⁹ It is this dominion which forms the basis for man's subduing the earth and cautions against any wilful exploitation. Murray does not go into this particular connection between dignity, image, dominion and work explicitly, but it is implicit in what he has to say about work. Dominion is intimately connected with work and it is in association with the dominion that we can derive our definition of the nature of work. It is as invested with dominion that man is to subdue the earth. 50 Of this Murray states,

This means nothing if it does not mean the harnessing and utilizing of the earth's resources and forces ... the subduing of the earth must imply the expenditure of thought and skill and energy in bringing the earth and its resources under such control that they would be channelled to the promotion of certain ends which they were suited and designed to fulfil but which would not be fulfilled apart from the exercise of man's design and labour.⁵¹

Work is therefore broader in scope than remunerative employment and

includes all of those activities in which the dominion is exercised. It involves a manifestation of man's dignity as being in the image of God and as placed over the world's resources. It is seen to be part and parcel of man's relationship to God on the one hand and to the natural world on the other. It is for this reason that remunerative employment must not be reduced to some adjunct of "the things that really matter" such as hobbies and entertainment. It must be seen as something that really matters in itself. In work man is a creaturely copy of the active God.

Work is therefore to be seen as a sacred trust. Man is God's steward responsible to him for the careful husbanding of the earth's resources. It is for this reason that sloth and idleness are so reprehensible. They represent the evasion of fundamental responsibilities and this evasion entails the loss of man's true dignity. This abdication of a role in life commensurate with man's stewardship to God is frequently censured both in the Old Testament and in the New. So in the Book of Proverbs,

Go to the ant, man of sloth, see her ways and be wise.⁵² and in the apostle Paul:

For also when we were with you we commanded you that: if anyone will not work, then let him not eat. 53

Since man has a responsibility to work how is he to view this responsibility and what is he to do? Any response to these questions must involve the two important concepts of vocation and diversity of gifts. The emphasis of the Reformed tradition on vocation can be traced back to Calvin. As Dennis Walters explains,

Calvin broke with the medieval secular-sacred distinction in vocation. Not only the churchmen, but everyone who labo red in a legitimate vocation had a sacred calling before God. Each individual is seen as the recipient of gifts given him by God and is responsible for their development. Furthermore, work is seen as an act of worship towards God. In response to salvation the redeemed man seeks in gratitude to offer the work of his hands to God as an act of worship. Work then has eternal significance. What is done to God's glory will endure in heaven. The new heavens and the new earth will be filled with the labors of men in this present age with all its strife and imperfections.⁵⁴

The individual is thus not left without direction in connection with his responsibility to work. The gifts with which he is endowed constitute an index to the divine call and his role in society. This is excellently summarized by John Murray in the following words,

The institution of labour underlies the whole question of human vocation. We need to appreciate here anew the principle which was reflected upon earlier in connection with celibacy and marriage. What path of life each individual is to follow in reference to this basic interest of life is to be determined by the proper gift which God has bestowed, and this is the index to the divine will and therefore to the divine call. In connection with the specific kind of labour in which each person is to engage we find this same kind of sanction. Each person's labour is a divine vocation. Our Protestant reformers felt called upon to give particular emphasis to this phase of biblical teaching. 'It is to be remarked', wrote Calvin, 'that the Lord commands every one of us, in all the actions of life, to regard his vocation. For he knows with what great inquietude the human mind is inflamed, with what desultory levity it is hurried hither and thither, and how insatiable is its ambition to grasp different things at once. Therefore, to prevent universal confusion being produced by our folly and temerity, he has appointed to all their particular duties in different spheres of life. And that no one might rashly transgress the limits prescribed, he has styled such spheres of life vocations, or <u>ca</u>llings.'⁵⁵

These two concepts of vocation and diversity of gifts have important implications for the division of labour which will be considered below.⁵⁶ They are also relevant in relating work and dignity. It is when work is seen as a post assigned to us by God that we see its execution in a different light. As Taylor explains,

The point of view of the Reformation of seeing all things "<u>sub specie aeternitas</u>2 (sic) not only helped greatly in the development of an inductive method in natural science; it also provided a new moral approach to the use of the things of this world. Calvin and his followers did not see the world as something evil from which man should fly, but rather holding to their doctrine of the sovereignty of God, they believed that God had placed man in this world to exploit its potentialities to the best of his ability that he might glorify God.⁵⁷ This idea of work as a God-given task has been more recently articulated in the papal encyclical "Laborem Exercens".⁵⁸ It is, however, absent from contemporary economic theory which has been developed in isolation from metaphysics. As G. North states,

There is one common feature that stands out over three centuries, and William Letwin calls attention to it forcefully: 'Nevertheless there can be no doubt that economic theory owes its present development to the fact that some men, in thinking of economic phenomena, forcefully suspended all judgments of theology, morality, and justice, were willing to consider the economy as nothing more than an intricate mechanism, refraining for the while from asking whether the mechanism worked for good or evil. That separation was made during the seventeenth century.'⁵⁹

It is not surprising, therefore, that in modern society work is by many relegated to the position of being a means to the attainment of material ends in the satisfaction of consumer wants and in the raising of living standards. There is little prospect of restoring dignity to the worker as long as this attitude prevails.

What are the implications involved in the Reformed teachings stated and what evaluation can we make of them? As we have seen, there is dignity involved in man being in the image of God and this image defines man as self-conscious, rational, free, moral and religious. The fact that man is self-conscious has a bearing upon his status. Because he is in God's image he is, as Van Til affirms, "like God in everything in which a creature can be like God. He is like God in that he too is a personality."⁶⁰ This personality is to be guarded. Man is more than a statistic on the payroll or market trends chart. He is not anonymous and he is not a mere substitute for the man beside him. He is not to become a machine such as Ellul describes,

When man himself becomes a machine, he attains to the marvelous freedom of unconsciousness, the freedom of the machine itself. A spiritual and moral life is required of him because the machine has need of such a life: no technique is possible with amoral and

asocial men. Man feels himself to be responsible, but he is not. He does not feel himself an object, but he is. He has been so well assimilated to the economic world, so well adjusted to it by being reduced to the homo economicus, in short, so well conditioned, that the appearance of personal life becomes for him the reality of personal life. 61

The time has come to initiate reform towards "personal" labour. This need has been recognized by writers outside the Reformed Tradition such as the management expert Peter Drucker. Although the Reformed would disagree that work, as opposed to laborious work, arose as a punishment, Drucker's emphasis on hiring a whole man and work embracing a man's entire person is in line with the point we are making about the status of man as a worker. Drucker says,

In hiring a worker one always hires the whole man. It is evident in the IBM story that one cannot 'hire a hand'; its owner always comes with it. Indeed, there are few relations which so completely embrace a man's entire person as his relation to his work. Work was not, Genesis informs us, in man's original nature. But it was included 'In the sweat of thy brow shalt thou eat thy soon after. bread,' was both the Lord's punishment for Adam's fall and His gift and blessing to make bearable and meaningful man's life in his fallen state. Only the relationship to his Creator and that to his family antedate man's relationship to his work; only they are more fundamental. And together with them the relationship to his work underlies all of man's life and achievements, his civil society, his arts, his history.⁶²

The image also defines man as rational. He is more than an activated body. The function of the mind is not to be reduced to the level of a computer memory programmed to execute a particular routine. Such mechanistic views of man bear no relationship to the real person. This point is also emphasized by Drucker in dealing with the management of the worker and work. The first requirement of human organization for peak performance is engineering the individual job to attain maximum efficiency. This is not attained by the concept of limiting a job to one operation according to Drucker who produces case studies to illustrate improved productivity as a result of introducing integrated jobs where the worker is given detailed instructions for the performance of many operations. Thus the automobile assembly line is not the perfect example of engineering "human work". "It is imperfect and inefficient engineering of <u>machine work</u>."⁶³ Such production lines are more efficient when fully mechanized and the workers are transferred to designing, maintaining and controlling the automatic equipment. Thus where the one-motion one-job concept is effective, total mechanization should be implemented. The principle for mechanical work is "mechanization" but the principle for human work is "integration". Drucker contrasts the two as follows:

Both start out with the systematic analysis of the work into its constituent motions. Both lay out the work in a logical sequence of motions. In both attention has to focus on each motion, to make it easier, faster, more effortless; and improvement of the entire output depends on improvement of the constituent motions. But the one organizes the motions <u>mechanically</u> so as to utilize the special properties of the machine, that is, its ability to do one thing fast and faultlessly. The other one <u>integrates</u> operations so as to utilize the special properties of the human being, that is, his ability to make a whole out of many things, to judge, to plan and to change.⁶⁴

Man is also a free agent in the sense of exercising volition in accordance with his nature. His life is not determined by impersonal forces. Rather in his thinking and acting man is to have before him the One whose image he bears. In this way his mental activity and behaviour will be after the pattern of the personal God. As Van Til explains,

If man acts self-consciously before the background of an absolutely personal God he acts <u>analogically</u>. On the other hand, if man acts self-consciously before the background of an ultimately impersonal principle, he acts <u>univocally</u>.

To act analogically implies the recognition that one is a creature of God. If man is a creature of God, he must, to think truly and to act truly, think and act analogically. Man is created as an analogue of God.⁶⁵

Consequently, "True freedom for man consists in <u>self-conscious</u>, <u>analogical</u> <u>activity</u>."⁶⁶ It is for this reason that Marxist economic determinism must be rejected. Even Marx and Engels had difficulties with their own theories at this point. Engels especially sought to dilute the idea that the economic element was the only determining one. P. Worsley has the following to say about Engel's disclaimers:

The 'conception of history' that he and Marx developed, he is saying a few years later - a conception which he contrasts with the 'materialism' (his inverted commas) of some younger writers - is

'only a guide to study ... The conditions of existence of the different formations of society must be examined individually before the attempt is made to deduce from them the political, civil-law, aesthetic, philosophic, religious, etc. views corresponding to them.'

(Letter to C. Schmidt, 5 April 1890)

and a month later goes even further:

'According to the materialist conception of history, the <u>ultimately</u> determining element in history is the production and reproduction of real life. More than this neither Marx nor I have ever asserted.'

(Letter to J. Bloch, 21 September 1890)

Unfortunately, they had asserted more than that. By now, it was even becoming quite unclear as to what was being asserted $\dots 6^7$

In contrast in Christianity there should be no vacillation.

As R.H. Preston affirms, "to some extent human beings are originators of their actions, and are therefore properly subject to moral evaluation in the shape of praise or blame. Personal freedom in this sense is fundamental to man as a moral being ..."⁶⁸ This question of responsibility also arises in connection with man being a moral creature. Responsible behaviour is therefore necessary in the economic enterprise and this will be dealt with more fully below. The recognition of spiritual values also arises from the fact that man is a religious being. This underlines that neither profit nor output can be accepted as supreme and further discussion of this point will be given in connection with the subject of motivation. The concept of analogical behaviour is related to the doctrine of man's dominion. As Vice-gerent his work is to be a creaturely copy of God's work. A fuller treatment of the implications of this is reserved for Chapter 3.

In seeking to understand the nature of work we have seen how closely Murray relates work to man in the divine image, his relationship to God and his relationship to the natural world. This centrality of work was also emphasized in the encyclical of Pope John Paul II "Laborem Exercens" which speaks of work as a "fundamental dimension of man's existence on earth". As M. Volf explains, "Man's nature, as fundamentally a worker, rests on his being created in the image of God."69 This centrality underlines the incompatibility of sloth with man's dignity. Work is given to man as an activity for personal development in relationship to God. It is a shirking of this responsibility when a person voluntarily seeks a repetitious task which makes no demands upon the worker. Merely to view the pay packet is to opt for a personal under-performance which involves an element of sloth. Rushdoony captures the Reformed emphasis on a total commitment to work in the following brief paragraph:

Puritanism held to a this-worldly supernaturalism. The English divine, Richard Baxter, in the Christian Directory (1678), said, 'It is action that God is most served and honored by.' In America, action and work were highly honored. Rich Americans who wanted to be idle went to Europe, 'among whom idleness is still held in honour." As Tocqueville noted, 'In the United States, professions are more or less laborious, more or less profitable; but they are never either high or low: every honest calling is honourable.'⁷⁰

Work then cannot be divorced from responsibility. The worker is to seek and the employer is to endeavour to provide a context in which the employee can be engaged as a self-consciously responsible worker. This will involve initiative, dependability and moral awareness in connection with business practices. This requires an environment which promotes self-discipline and this cannot be synthesized with a highly programmed work situation where machines and routines dictate all the activities. The need for employee activism has been argued for by Drucker as the following paragraph indicates,

The enterprise must expect of the worker not the passive acceptance of a physical chore, but the active assumption of responsibility for the enterprise's results. And precisely because this is so much bigger a demand, we are likely to be able to realize it - where we have never obtained a fair day's labour. For it is a peculiarity of man that he yields best to high demands, that, indeed, his capacity to produce is largely determined by the level of the demands made on it.⁷¹

We have seen that the Reformed writers view work as a vocation. When this conception of calling was depreciated to the level of being equated with a person's job or economic role, its fundamental meaning had been lost. Goodman states the position as follows:

... as people value different kinds of work differently, the type of work which a person does strongly influences not only that individual's level of income but also his or her <u>social standing</u> within the community. Certain kinds of work are regarded as being careers, others are seen merely as jobs.⁷²

When this is divorced from divine calling the division of labour into specialized roles produces a depreciation of the dignity of the workman. This is especially so in connection with manual labour and manual dexterity is devalued as some inferior occupation and the manual labourer is in danger of being regarded as culturally insignificant. Working from the Reformed emphasis upon a specialization of labour in consequence of a diversity of gifts from God, J. Murray protests against this. He writes as follows:

... one cannot but suspect that the widespread tendency to take flight from agricultural and related pursuits springs from an under-estimate of the dignity of manual toil and oftentimes reflects an unwholesome ambition which is the fruit of impiety. There is warrant for the judgment that economics, culture, morality, and piety have suffered grave havoc by failure to appreciate the nobility of manual labour. Multitudes of men and women, if they had thought in terms of this principle and had been taught in the home, in the church, and in the school to think in these terms, would have been saved from the catastrophe of economic, moral, and religious ruin because they would have been preserved from the vain ambition of pursuing vocations for which they were not equipped and which, on sober and enlightened reflection, they would not have sought.⁷³

The economist's view of the division of labour is also lacking. Because of low views of calling and dignity in work he carries the division of labour to the point where a person's role in society is reduced to machine minding or some simplified, repetitive task. This robs the worker of any respect in connection with how he spends his working life and detracts from sound social relationships in general. This point did not escape the Methodist Conference in 1977 which recorded the following statement,

There are many challenges to Christian conscience. Work often degenerates into a dehumanised activity. The economic aspect predominates and the individual becomes merely the means to an end. Mass-production and routine tasks make it difficult to experience job satisfaction. There is often conflict between the needs of the individual and those of the organisation. At work man needs a measure of autonomy, security, responsibility and freedom ...⁷⁴

Finally, we return to the relationship between work and dignity. Made in the image of God to exercise dominion as his vicegerent, man is not merely a worker. Remunerative employment is only one aspect of a person's total orientation and needs to be located in this setting. Whatever man does he is to do it to the Lord. As Van Til says, "We speak therefore of the highest good of man as the goal he must seek to reach ..." This goal is to live to the glory of God.⁷⁵ This is to be the motive for action and it is as applicable in the workplace as anywhere else. God is not to be left out of man's economic enterprise. This point was also underlined by the Methodist Conference in 1934, which declared that, "Man is primarily a spiritual being, made in the image of God, and his economic and political life should be subservient to the higher spiritual ends of his nature."⁷⁶ It is the recognition of the spiritual dimension in work that raises even the routine tasks from the purely mundane by directing all work to the ultimate end of glorifying God. This is the course that must be charted. How remote all of this is from a materialistic view of work is shown by the following words of L. Newbigin,

'Economic man' is assumed to have one purpose: to secure as much gain as possible for himself with the least possible expenditure of effort ... Work ... is absorbed into labour ... It has no purpose except production and consumption; it has become purely cyclical and therefore meaningless.⁷⁷

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Chapter 3

THE DIGNITY OF MAN IN RELATION TO THINGS

The case has been argued in Chapter 2 for a new look at the working man. It has been maintained that his dignity as the image of God has been lost sight of with sad effects for many of the working population. The purpose of this chapter and the following two chapters is to examine the relationship between the dignity of man and the organization of economic activity. It will be helpful to do this by reference to the Reformed doctrines of dominion, covenant and sovereignty which have particular relevance in this connection. Emil Brunner speaks of economic man as having become autonomous and the outburst of economic energy as being followed by "a desolation of life, a materialism, a disintegration of human social life"¹ He states that,

The degeneration of civilization and of work which is chiefly due to the fact that the meaning of work has been lost inevitably works out in two directions: in the relation between man and things, and in his relation to the community.²

In this chapter the dignity of man in relation to things is first considered. In the following chapter man in his economic relationships to others within the business enterprise is examined and in Chapter 5 the general economic community is dealt with.

The relationship between man and things is considered in the light of the Reformed doctrine of dominion. Reference is made first of all to the contemporary trend in this connection; the Reformed response is then outlined and the practical implications of this response are stated and evaluated in the light of writings from outside the tradition. In connection with man's relationship to things, specifically natural resources and capital equipment, what is immediately noticeable about contemporary attitudes is that they

detract from man's dignity in the economic enterprise. Man is not regarded as above things as their utilizer but is placed on the same level alongside of them. Apart from the entrepreneurs who organize factors of production, the rest of humanity are levelled with the non-human resources. So we find that the economist classifies productive resources as land, labour and capital. John Lindauer defines land as "Geographic areas," labour as, "What people contribute to the production of goods and services ...", and capital as "Plant, equipment and inventory. Those products that can themselves be used to help produce even more goods and services ..."³ This classification is not of itself objectionable as a tool for further economic study; nor is the concept of the exchangeability of units of capital for units of labour objectionable as a device for theoretical study, but when such thinking is uncritically applied to the real life situation the special characteristics of labour are apt to be overlooked.

This is re-inforced within the firm by the financial control practices. The cost and management accountant bases his total approach to costing on an inclusion of "labour costs" alongside of others. As R.M.S. Wilson states:

If the object of interest for identifying and measuring cost is to determine how much sacrifice is involved in manufacturing a particular product, then initially one can define the three elements of total cost:

> Materials Labour Expenses.4

Now no exception need be taken to such methodology with respect to the purpose in view, that is, to more exactly determine planned and actual costs in order to control them. Such financial prudence is to be commended if the cost of the control does not exceed the resulting cost savings. But it must not be overlooked that this represents an exceedingly impersonal view of the worker which is to be kept carefully in check. At the worst extreme as H. Antonides explains,

Management tends to consider workers as cost factors that must be utilized as efficiently as possible. But since efficiency has been narrowed down to the goals of maximum profits and growth, it has resulted in an organization and structure of work in which workers are completely ignored as responsible human beings.⁵

In more recent years the deterioration of man's supremacy has been given increased impetus by technological developments and the extension of technique to every area of life. This has been enthusiastically received by capitalists as leading to greater efficiency and profitability. It has also been welcome to communists who see it as the precursor of the collapse of capitalism.⁶ Jacques Ellul has undertaken a very detailed study of the problem of the de-humanizing and degrading effects of what he calls technique. He describes the characteristics of modern technique in his book

<u>The Technological Society</u>. He seeks to show how technique is no longer man's tool but his ruler, dominating him in every aspect of life. He shows how this has arisen as a consequence of the following characteristics.

- <u>Rationality</u>. Of this Ellul says, "In technique, whatever its aspect or the domain in which it is applied, a rational process is present which tends to bring mechanics to bear on all that is spontaneous or irrational." There is an exclusion of spontaneity and personal creativity and a reduction of method to its logical dimension alone.⁷
- Artificiality. Technique produces an artificial world which eliminates the natural world. The two worlds have different imperatives, directives and laws. Ellul likens the results of technique to the change resulting from building hydroelectric

rather when technique with all of its depersonalizing tendencies is applied in a context where man's true dignity is lost sight of that man is no longer seen as the controller but as the controlled.

What response we may ask can be found in the Reformed tradition? Is there anything that can serve as a corrective and restore man to his true dignity in relation to things? In order to answer this question we must turn to the Reformed doctrine of man's dominion. This brings us to three related topics: the dignity of vice-gerency, the reality of dominion, and dominion and work.

It is inevitable that those who leave God out of their thinking will not have the same understanding of man's relationship to the world as a Christian world and life view. The former are working only with man and things whereas the Christian is looking at a Godman-nature relationship. R.J. Rushdoony states the Reformed position when he affirms that its doctrine "places man <u>under</u> God, and <u>over</u> <u>nature</u> in Him."¹⁴ The relationship between man and things is thus theologically defined. To be sure the dominion over the creatures has not always been viewed in exactly the same way. John Murray refers to the difference within the tradition and gives his judgement upon the matter as follows:

Some Reformed theologians regard this dominion as an element in the divine image. It would appear preferable, however, to regard dominion as a function or office based upon the specific character defined as the image of God. The latter fits him for the dominion to be exercised. Man is made in God's image. He is, therefore, constituted God's viceregent (sic). It belongs to God's being to be sovereign over all creation. It belongs to man's being to execute delegated dominion.¹⁵

An explanation of what is involved in this vice-gerency is given by Cornelius Van Til who, having noted that man is in the image of God, goes on to say, We must now observe that man was organically related to the universe about him. That is, man was to be prophet, priest and king under God in this created world. The vicissitudes of the world would depend upon the deeds of man. As a prophet man was to interpret this world, as a priest he was to dedicate this world to God and as a king he was to rule over it for God.¹⁶

Thus the role which man has <u>under</u> God is one which involves him being <u>over</u> nature in the service of God ruling over it for him. It is therefore man who is to exercise dominion over his natural environment and the things in it and not the environment which is to dominate him. In each sphere of life man under God is to interpret the world, to rule over things in it and to find fulfilment in being active in dedicating all to God. As Rushdoony explains,

The command to exercise dominion meant to extend the ministerial authority of man into every area of life - in science, art, music, agriculture, and all things else. This was man's cultural task, the creation of a culture and civilization in terms of the sovereignty of God, recognized by man and exercised under God's jurisdiction.¹⁷

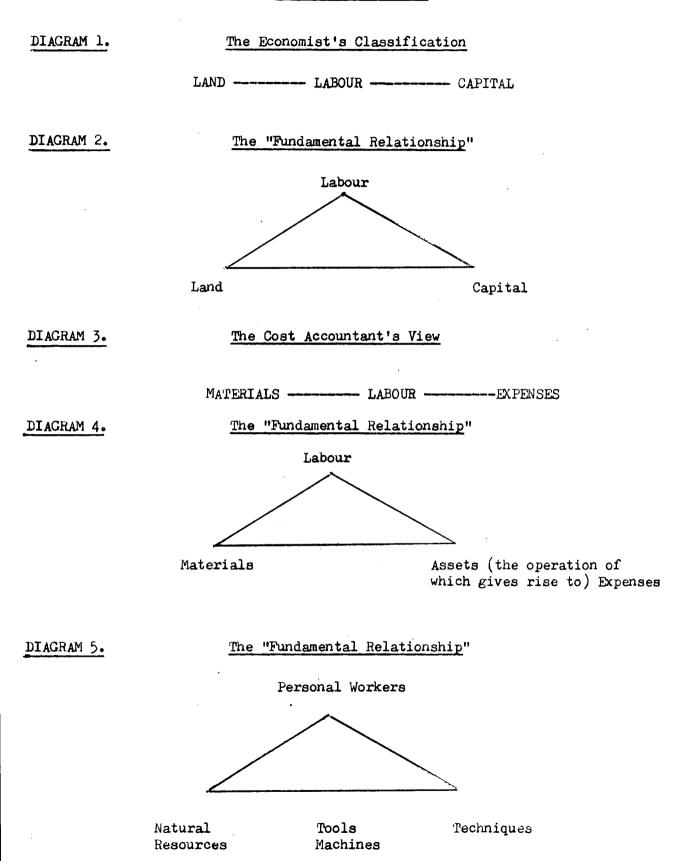
As the exercise of dominion is to extend into every area of life it is relevant to the place of work. The worker is not to be viewed as an impersonal statistic. He is not to be made subservient to machines or technical processes. Rather he is to be seen as one who is to be intelligently engaged in controlling the things over which he has the mastery within an environment adapted to this purpose.

What specific points of application can be made so that work takes place in a way and in an environment consistent with the dominion of man? It is evident at once that what has been said has relevance to the place of things and techniques in connection with man's daily labour. It is argued on the basis of the foregoing that the fundamental relationship of man to things must be visualized as triangular and not as horizontal. All points on a horizontal line are at the <u>same</u> level. In sharp contrast the triangle has an apex and this involves a more elevated position than those below. It is precisely this distinction that needs to be made in connection with man as worker in relationship to things. Thus while recognizing the validity of the economist's classification of the factors of production as land, labour and capital, what is contended for is that <u>the</u> "fundamental relationship" is not as depicted in Diagram 1 where land, labour and capital are all on the same horizontal plane. Rather it is to be recognized that man stands <u>above</u> things as Diagram 2 illustrates with labour at the apex of the triangle and land and capital below.

Similarly, although we recognize the cost and management accountant's need to classify costs as materials, labour and expenses in order to set cost standards, control expenses, engage in forward planning and develop pricing policies, we are not to allow the "fundamental relationship" to disappear from view. Thus although the cost accountant in his narrow field working with a consciously limited vision must operate according to Diagram 3 with materials, labour and expenses at the same level, this must not become the "living" reality. The latter is more accurately visualized according to Diagram 4 where labour stands above materials and capital equipment.

Additionally, though every technician be zealous for his techniques he is not so to unleash them upon himself and others so that they become the tyrannical masters. The case being pleaded is that every man have thoroughly embedded in his thinking the dominion of man as illustrated in Diagram 5 so that this becomes the formative influence governing the relationships between people and things in work. In this diagram the superior position of personal workers over things underscores the unbridgeable differentiation

The Dominion of Man'



between human resources and all other economic resources.

The importance of maintaining this dominion has been forcefully stated by R.H. Preston as the following quotation shows,

We must maintain a theology which goes from God to nature via man and not to nature direct. We must maintain that nature is to be ruled by man under God, that is to say under God for men, as a loving response to God's creative and redeeming activity. The Judaeo-Christian faith has emancipated man from a monism which merges him in nature and which leads to quietism and a rationalization of privileges. We must not be stampeded by the recent agitation, nor by the examples of brash over-confidence which must be admitted, into abandoning a proper sense of man's authority over nature, otherwise nature will soon swamp him.¹⁸

It will be as well to pause and consider at this point the view that the doctrine of man's dominion does not have beneficial effects. Lynn White, Jr. in an article entitled "The Historical Roots of our Ecologic Crisis"¹⁹ argues for a rejection of man's dominion if the ecological crisis is not to worsen. His construction of the connection between this doctrine and the exploitation of nature is as follows. Christianity inherited a story of creation from Judaism. This included the idea that the items in the physical creation were to serve man's purpose. Man is not merely a part of nature, he is made in the image of God. According to White, Christianity established a dualism of man and nature "but also insisted that it is God's will that man exploit nature for his proper ends." By the destruction of pagan animism the way was opened for nature to be exploited "in a mood of indifference to the feelings of natural objects." The maintaining of man's monopoly on spirit in this world led to the crumbling of the old inhibitions in connection with the exploitation of nature. The way back is to reject the Christian axiom "that nature has no reason for existence save to serve man."²⁰

This model of White suffers from the disadvantage of being too simplistic. Although the Judeo-Christian tradition did influence science and technology and the application of the latter has led to environmental degradation, there is no direct link between the doctrine of dominion and the latter. A.R. Peacocke makes the following specific criticisms in connection with White's view. (1) The exploitation of the natural environment with its consequent adverse ecological changes has occurred from primitive times and is not specifically associated with Judeo-Christian societies.²¹ (2) There has not been a uniform attitude to science and technology among the followers of the Judeo-Christian tradition. The Latin West was positive whereas the Byzantine East was not. The historical picture is further complicated by the fact that technology developed strongly in China and also has roots in ancient Greece and medieval Islam.²² (3) The Judeo-Christian tradition does not, in fact, depict man's dominion as simply brutally exploitative.²³ As Peacocke later states, "Although 'dominion' has ... kingly reference, it is a caring 'dominion' exercised under the authority of the Creator ... " It is thus associated with the ideas of vicegerency, stewardship and trusteeship.24

Dr. Francis Schaeffer, former director of the L'Abri Fellowship in Switzerland, who lectured widely in North American universities, does find some relevant positive points in White's article. He agrees with White that people do need a base in the area of ecology and quotes White with approval as follows:

What people do about their ecology depends on what they think about themselves in relation to things around them. Human ecology is deeply conditioned by beliefs about our nature and our destiny - that is by religion.

Schaeffer comments,

Here I believe he is completely right. Men <u>do</u> what they <u>think</u>. Whatever their world view is, this is the thing which will spill over into the external world.²⁵

He is prepared to go far down the road with White in his criticism of Christians in connection with ecology but he finds the problem not in the doctrine but the failure to act on the basis of the doctrine. He says,

Now it is true, as Lynn White points out, that much 'Christianity' is worse off in the area of ecology than animism. The animists think there are spirits in the trees and so they do not cut down the trees carelessly. So far as ecology is concerned, we must admit that he is right: much 'Christianity' has treated nature with less restraint than animism, not because Christianity does not have an answer but because we have not <u>acted on</u> the answer; not because Christianity does not have a view that gives a greater value to the tree than the animist can give it but because we haven't acted on the value that we know it has, or should know it has, as a creature of God.²⁶

Schaeffer does not, however, see the solution in disposing of the doctrine of dominion rather in acting upon it properly. To quote Schaeffer again,

So man has dominion over nature, but he uses it wrongly. The Christian is called upon to exhibit this dominion, but exhibit it rightly: treating the thing as having value in itself, exercising dominion without being destructive. The Church should always have taught and done this, but she has generally failed to do so, and we need to confess our failure.²⁷

Schaeffer also recognizes that this failure in connection with ecology has been paralleled by a failure in connection with economics. He asks.

... what would have happened, for example, if the Church at the time of the Industrial Revolution had spoken out against the economic abuses which arose from it? This is not to suggest that the Industrial Revolution was wrong, or that capitalism as such is necessarily wrong, but that the Church, at a point in history when it had the consensus, as it does not have now, failed (with some notable exceptions) to speak against the abuse of economic dominion.²⁸

Our interlude on the subject of ecology has brought us back to the question of economics. It could not be otherwise because the doctrine of dominion impinges on both areas of life. We have returned however with a clearer understanding in the matter of dominion and have underlined the fundamental necessity of a right application of it in our chosen area of study. The weaknesses of White's position have been indicated but the validity of his criticism of Christianity has been recognized. However it has been shown that the problem does not lie in the doctrine but in a failure to act upon it in the right way. This is true in ecology and it is true in economics. The doctrine must be maintained and it must be rightly applied.

Application must, of necessity, go beyond how we visualize the situation. It is necessary to bring the dominion of man into the workplace in a practical way so that his life is not dominated by impersonal machines or techniques. The production line where no thought has been given to this serves to illulstrate the point at its most basic level. In such situations the application of mind and muscle are mechanical to the point of eliminating initiative and skill development. The mere repetition of routine processes day in and day out is something which can be performed by computers and machines. The advent of the computerized production line with industrial robots and other machines has eliminated operatives and demonstrates the level to which these operatives had been reduced in their daily working lives. Drucker outlines the physiological consequences of neglecting such factors as follows,

A human excels in relating perception to action and works best if the entire person, muscles, senses, and mind, is engaged by the work.

If confined to an individual motion or operation, the human being tires fast. This fatigue is not just boredom, which is psychological; it is genuine physiological fatigue as well. Lactic acid builds up in the muscles, visual acuity goes down, reaction time slows and becomes erratic ...

To be productive the individual has to have control, to a substantial extent, over the speed, rhythm, and attention spans with which he is working \dots^{29}

The role of mechanization thus requires re-appraisal in the light of human dignity. The machine and the routine are not to become man's master. He is to have dominion over them. The structure of industry is not to make man a helpless pawn to be moved around and processed like a consignment of raw materials. Rather it is to provide an environment in which the worker can exercise his divinely bestowed dominion.

Work is not therefore something to be fashioned around things and procedures but an activity to be organized around man. Pope John Paul II's <u>Laborem Exercens</u> maintains that both capitalism and collectivism have allowed <u>things</u> to rule over persons and that it is a mistake for man to be "treated on the same level as the whole complex of the material means of production, as an instrument and not in accordance with the true dignity of his work ...³⁰ M. Volf in considering this concludes that "Man must always be master or king over nature (as <u>dominium terrae</u> suggests), or he will cease to be man."³¹ The need for man to be "in control" and not blind impersonal forces which de-humanize and degrade is emphasized by Drucker.

If we look at the worker as a resource, comparable to all other resources but for the fact that it is human, we have to find out how best to utilize him in the same way in which we look at copper or at water-power as specific resources. This is an engineering approach. It considers what the human being is best and least capable of. Its result will be the organization of work so as to fit best the qualities and the limitations of this specific resource, the human being at work. And the human being has one set of qualities possessed by no other resource: it has the ability to co-ordinate, to integrate, to judge and to imagine. In fact, this is its only specific superiority; in every other respect - whether it be physical strength, manual skill or sensory perception - machines can do a much better job. But we must also consider man at work as a human being. We must, in other words, also put the emphasis on 'human'. This approach focuses on man as a moral and a social creature, and asks how work should be organized to fit his qualities as a person. As a resource, man can be 'utilized'. A person, however, can only utilize himself. This is the great and ultimate distinction.³²

The organization of work and the development of techniques are not to be approached in isolation from man's distinctive identity as in the image of God and exercising dominion. He is not to be shaped and fashioned to suit the machine or the impersonal forces of technique in current operation. The contemporary degradation of man in this respect is summarised by Ellul in the following way,

The individual participates only to the degree that he is subordinate to the search for efficiency, to the degree that he resists all the currents today considered secondary, such as aesthetics, ethics, fantasy. Insofar as the individual represents this abstract tendency, he is permitted to participate in technical creation, which is increasingly independent of him and increasingly linked to its own mathematical law.³³

A similar warning note has been sounded by S. Burgalassi in an article entitled, "Towards a Theology of Man as Worker". Burgalassi says,

The real danger today ... lies in the process of homogenisation, which as an essential component of the economic model of intensive production, tends on one hand to render the roles of the great majority of operatives conformist and bureaucratic, while on the other singling out a few of the elite (scientists, technicians, inventors) who are able to guide this highly complex technological process: so we have an amorphous mass directed by a 'select' few. This is the danger known as 'technocracy' - the dominion of a limited number of technicians over not only the manufacturing processes but over the policies that shape life-styles, social life and development.³⁴

It is this tendency to press man into an alien mould which is to be vigorously resisted. Indeed it should be treated as a serious matter for concern that many workers have become conditioned to a view of themselves at work which excludes man's dominion over things as a personal agent and limits man's role to that of an unthinking reproducer of the established routines. As G.T. Brake states, summarizing the Methodist Conference declaration in 1960,

All engaged in industry should recognize themselves to be people, and 'not merely executive instruments of impersonal processes.'³⁵

The case has been argued in this chapter for a recognition of the uniqueness of the human resource in productive activity and for such structural changes as will enable the expression of man's dominion in the place of work. The need for change has been emphasized from different quarters and the doctrine of man's dominion indicates the direction that such change should take. R.J. Rushdoony has made the point that it makes good economic sense to focus upon man's dignity in connection with production. He says,

Productivity comes from capital plus good management and good labor. It is bad economics to capitalize a job adequately in every respect save labor. Every job now requires considerable capital, and able management. It is simply economically stupid to neglect the man who is the focal point of all that expenditure, the worker.

Religiously, we must recognize that the worker represents the best capital of all, a man made in the image of God. To neglect him, or to treat him as a mere cog in the machine, is, economically, to waste capital, and, religiously, to sin. Because man is a religious creature, he moves religiously, whatever his faith. <u>Meaning</u> and <u>purpose</u> are basic to his life; cynicism, skepticism, and ennui mark the death of a culture, and the disintegration of man.³⁶

<u>Chapter 4</u> <u>THE DIGNITY OF MAN IN RELATION</u> <u>TO OTHERS WITHIN THE FIRM</u>

In the previous chapter man's relationship to things was considered in connection with his dominion. We turn at this point to the subject of man in his socio-economic relationships to others within the firm. The importance of this is stressed by F.S. Fiorenza in an article entitled "Religious Beliefs and Praxis: Reflections on Catholic Theological Views of Work". Questions of the structures of work are among other things "not incidental, but crucial to the theological evaluation of work."¹ In order to analyse and illustrate the deficiencies in contemporary attitudes to relationships between superiors, equals and those in subordinate positions it will be helpful to understand the nature of business and to see how it is developing irrespective of the size of firm.

In the contemporary view the business exists to create a customer and marketing constitutes the unique function of the business. No other human organization markets a product or service. The orientation of the business firm is thus to produce what the market needs. This involves building in customer appeal from the design stage. The business enterprise cannot, however, be defined exclusively in terms of marketing, it must also innovate. In this way improved goods and services are provided in increased quantities. The business firm thus arises in connection with the response to human wants. These wants are satisfied by productive activity. In economic terms and in the pursuit of one's livelihood it is fruitless to produce what is not wanted. The sensible producer whether individual or giant corporation will research the market and then respond by providing the goods and services that consumers want. It is true that there is more than a little persuasive advertising designed to create demand for a product or service but even here a basic "floor" is needed in personal interests and desires.

Any viable business venture must be able to secure revenue from sales equal to the total costs of the enterprise where total cost includes an element of return on the capital invested. This is often expressed in terms of "profit motivation". According to Milton Friedman it is the social responsibility of business to increase its profits. A.H. Goldman states Friedman's case as follows,

As Milton Friedman points out, managers are employees of stockholders; they are entrusted with their money for the express purpose of earning a return on it. But if they sacrifice profits in order to aid what they perceive to be moral or social causes - for example, by contributing to charity or by exceeding legal requirements for safety or anti-pollution devices not demanded by consumers - then they are in effect taxing stockholders without authority to do so.²

The ramifications of such a view for the owner-manager-employee relationships are clearly enormous. Efforts have been made to make profit a more acceptable concept. Thus Drucker states,

Profitability is not the purpose of business enterprise and business activity, but a limiting factor on it. Profit is not the explanation, cause or rationale of business behaviour and business decisions, but the test of their validity.³

If the firm fails to cover its total costs and runs at a loss it will go out of business unless someone is prepared to subsidize it. The absence of profit thus indicates bad judgement, inefficient production or ineffective marketing. As L. de Rosen explains,

The entrepreneur has to apply profitability as a yardstick to ensure that he is not wasting his company's resources. If defined as a criterion for the efficient use of resources and a spur for creative enterprise, profits can be ethically acceptable.⁴

We must, however, also reckon with the impetus to "profit maximization".

The local sole trader may well be satisfied with his business if it keeps himself and his family with a fortnight's holiday a year but if he is of a different frame of mind he might be looking for much more out of it. If he wants a bigger house with a paddock, holidays in the South of France and financial independence, then we may well find that his purpose for being in business is more closely related to profit and its maximization than Drucker's statement may suggest. Goyder, dealing with the reform of Company Law, has the following to say about profit particularly in the large impersonal company,

The primacy of the profit motive in industry is not in question. It is generally agreed that survival is the first duty of any man of business and survival for the business man means profit ... what is in question is the ultimacy and not the primacy of the profit motive ... A person who makes money his final goal is rightly regarded as suffering from a diseased mind. Ordinary people value money for what it brings in amenities, in leisure or power, and men's motives are legion ... But in industry and particularly in the large impersonal company that we have seen as being typical, profit is turned from a proximate or primary goal into a <u>ultimate</u> one. This is to make industry a battlefield of irreconcilable interests. It is to falsify the purpose of industry and to take away its power to command the loyalty of men.⁵

The desire to maximize profits maintains the impetus to largescale corporations. And it is in the large-scale corporations that the problems come more distinctly into focus. Economies of scale, diversification and survival all increase the pressure to concentration. Increased efficiency raises the profile of new technology and new techniques in order to maximize the resources of the firm. Among those resources are the labour resources or workforce. This raises the problem of human relations in a context where there must be an exercise of power. As P.F. Drucker states in his book <u>People and Performance</u>, "... in any organization, no matter how small, there has to be a personal authority. The organization member's will is subordinated to an alien will."⁶ Here then is the problem,

the firm requires leadership, a command of power with defined structures and delegated authority and if the firm is to function effectively there must be a conformity on the part of the employees to the defined procedures and techniques. But at this point a serious difficulty emerges. If the controlling hierarchy think of labour in impersonal terms, if they have lost sight of the integrity of the individual as a person with God-given dignity and if the main or exclusive contact between owners and employees is memoranda, then the matter of relationship has slipped out of the picture and workers experience a sense of estrangement, suspicion and hostility and a "them and us" mentality develops on both sides. This mentality is so common that scarcely a single employee will not have encountered it at one time or another. When, however, it becomes the settled disposition of owners, managers or workforce it represents a seriously deteriorated situation of human relations. The reality of the human relations problem is evidenced by the attention it receives. B.H. McCov records the conclusion reached by a seminar at Pacific School of Religion as follows,

We ended agreeing that all large social units, whether they be the government, corporations, universities, or churches, tend to de-personalize the individual, become abstract, and in a sense unethical.⁷

As Drucker states, however, "there has to be a personal authority" in "any organization, no matter how small"⁸ and consequently estrangement, suspicion and hostility can surface in the smallest corner shop if the attitudes of people to one another overlook the dignity and worth of the individual and result in poisoned relationships. As Rushdoony states,

We speak of 'labor' problems and 'management' problems, when we should be talking about people created in God's image, persons.⁹

The effects of the failure of those exercising power to afford proper respect to those whose labour was under their control can be seen in the case of the early mass production lines. It is not necessary to attribute malicious motives to the entrepreneurs responsible to argue the point that something fundamental in connection with owner-manager-worker responsibilities were overlooked. As Jacques Ellul explains,

Work techniques began with the world of the machine and displayed scant regard for human beings. Machines were invented and assembled, buildings were put up around them, and men were put inside. For fifty years the procedure was completely haphazard. Then it was noted that the worker's productivity could be markedly increased by imposing certain rules on him. The result was the system associated with the names of the Americans Frederick Winslow Taylor and Henry Ford. As Georges Friedmann has shown, they took nothing into consideration beyond the necessities of production and the maximum utilization of the machine; they completely ignored the serfdom these factors entail - with their production lines, their infinite subdivision of tasks, and so on.¹⁰

Vast improvements have been made within the industrial context since the early days if for no other reason than the fact that such a system of production was inefficient. Physical fatigue and psychological disequilibrium had to be investigated and improvements made to minimize them. Such improvements should not be confused with tackling the problem at its root. Improvements in the interests of increased productivity do not have the same motive force as changes which are designed to make the working environment and the work involved more compatible with the dignity of man in an atmosphere of mutual respect. Indeed the pre-occupation with work techniques in order to improve efficiency can in fact co-exist with deteriorating real relationships. A manager may, for example, decide that he should be called by his first name at the office because this will improve his image. This might be done without any change in relationship between him and those over whom he has authority. The change may be purely cosmetic and come nowhere near the fundamental matter of real human relations and the morale of the workforce.

Blum and Naylor define industrial morale as "the possession of a feeling, on the part of the employee, of being accepted and belonging to a group of employees through adherence to common goals and confidence in the desirability of these goals." It thus involves feeling accepted, sharing common goals and a confidence in the desirability of the goals. Consequently Blum and Naylor see four determiners of morale: (a) group co-operation or cohesiveness, (b) a goal, (c) progress towards the goal and (d) a meaningful task leading to the attainment of the goal.¹²

Where low morlae has been in evidence, different methods have been used to increase morale. Blum and Naylor describe these with the qualification that objective data are lacking to demonstrate the effectiveness of the methods.

One approach is to call in an expert who makes a spot survey in the plant and presents a report, perhaps suggesting posters, parties or welfare associations.¹³ Such an approach might give morale a short-term boost. A second approach has been the use of an industrial spy who, posing as a worker, is given a job and reports to management on complaints and possibly also on "trouble-makers".¹⁴ A further approach is that of using an industrial counsellor who is presented to the employees as a personnel department representative. Employees are encouraged to talk to the counsellor about their problems. Blum and Naylor cite a case study showing how this method may help the personal adjustment of an individual employee to his work situation.¹⁵

A fourth and popular approach is the employee problem approach.

Blum and Naylor describe it as follows:

In the problem approach, which is basically a form of role playing, the foreman, the boss, or best of all a trained psychologist (who does not play the role of an expert) presents a currently pressing problem to the employees. Then, with a minimum of interference but some guidance, he allows them to work it out for themselves. Obviously, group cooperation is a natural by-product of this method, and this in itself constitutes In working an important factor in increasing morale. out the problem the employees establish a goal: the solution. They see the progress they are making, and they actively and meaningfully participate in the effort to solve the problem. Hence all the determiners of morale are present, and increased morale is automatically achieved along with the solution of the specific problem. 16

Such techniques can be more or less sincere and beneath the wool of apparent interest in the individual the wolf of manipulation and exploitation can lurk. Ellul is particularly scathing of an insincere industrial psychology:

After it had been observed in certain industrial plants that the conditions of modern labor provoke psychological difficulties, psychologists were hired to act as "safety valves" for employee grievances and dissatisfactions. Employees may express their feelings to these "counselors" with the assurance that the counselors will say nothing to management. But the counselors never actually counsel anything. Their activities have nothing whatever to do with a positive cure of the soul, a mission which would suppose at least the possibility of profound changes, new orientations, and an awakening consciousness on the worker's part, all of which are highly dangerous. Nor are the counselors concerned with investigations of concrete modifications that might be binding on the company. Their sole duty is to encourage the voicing of complaints and It is well-known that suffering expressed to listen to them. is suffering relieved ...

It is not our purpose to charge those involved in human relations with insincerity but to underline the fact that it is essentially a cosmetic exercise unless it results in developing human relationships which have a real significance and promote mutual respect, interest, concern and confidence. If there is failure at this point, whether the firm is small, medium or large-scale, then a course has been charted which will lead to alienation and possibly confrontation. The fundamental need in society today is to build relationships and this is as true with respect to economic enterprise as anywhere else. The evidence for this need is seen in the preoccupation with "participation" in connection with business enterprise.

Mumford sees participation as an increasing societal value but one which has been inadequately defined. Various modes of participation have been advocated from the Greeks to date but all "recognise that participation involves more than one set of interests and that it is concerned with decision-taking."¹⁸ Participation may be pursued because it is seen as morally right, because it will make the workforce more committed, or because it will provide knowledge to assist the realisation of the firm's objectives and intelligent bargaining. The danger is present that participation will be seen as a way of persuading employees to accept change in which case it becomes a manipulative tool. (This is essentially in opposition to human dignity and worse than no participation.) Unions may see participation as a lever for increasing shop floor control. Employees may see it as a device to help in avoiding redundancy. About outsiders Mumford states:

They may believe that active participation leads to the development of responsibility, that it enhances group harmony, develops a sense of co-operation and of community and produces a willingness to accept group decisions.¹⁹

Educationalists may see participation as character-building, developing non-servile characters. Three matters require discussion, the structure of participation, the content of participation and the processes of participation. The structure of participation is concerned with the mechanisms enabling it to take place. The content of participation has to do with the nature of the issues involved in the decision taking.

The process of participation involves the acquisition of knowledge so that decisions are taken from an informed position; it involves learning, the development of effective working relationships over time, the setting and achieving of goals and the implementation of solutions. It is also concerned with power, and Pateman rightly suggests that in true participation, all the parties will have equal power.²⁰

Without joint ownership and control, the sceptics see participation in industry as a manipulative device to secure change without resistance. Thus consultation and information may be mere "tokenism", far from partnership or delegated power. Mumford sees participation as particularly appropriate to the design and implementation of new systems involving the use of new technology. It makes sense to involve the user group at the design stage. She states,

Participative design enables employees to mould their own futures to a degree and create the kind of environment that they find efficient and stimulating. By taking part in a process that is creative get directed at a specific task-based goal, they acquire confidence in their ability to contribute to the management of their own change and are able to acquire skills which make them competent to do this.²¹

This kind of participation is small-scale and limited and does nothing to satisfy the aspirations of those who seek worker control of industry. Larger-scale participation requires a general standard of technical skill and literacy, an evening out of living standards and a removal of group hostilities.

It is not our purpose at this point to deal with the question of participation, that is, who should control the firm, whether or not workers should be given a voice in running the business and if so how this might be achieved. But is is our purpose to register the fact that these very matters serve as an index of the disquiet that exists with respect to human relationships in industry. They show that the real issues have to do with mutual trust, particularly in circumstances where inevitable authority structures exist. As Goodman explains,

By accepting employment, and becoming a party to a contract of employment or service, the employee enters a subordinate relationship. Thus, subject to various limitations, employers have the legal right to organise and deploy employees; and employees have a common law duty to obey all reasonable instructions given by their employer or his representatives.

The way in which this <u>authority relationship</u> is conducted by employers or their agents (the managers) is a central aspect of employment relationships.²²

There has to be a personal authority. Whatever terms are used to describe it the "master-servant" relationship of Scripture and English law is a fact of life. There must be leadership and control. But what sort of form is this going to take? This is the crux of the matter.

It is necessary at this point to turn to the Reformed doctrine of the covenant, briefly to outline certain points in connection with the doctrine and to consider its implications for human relationships in general and industrial relations in particular. The centrality of covenantal relations within the Reformed tradition is emphasized by John Murray in the following words,

Covenant theology denotes a development of theological thought and construction within the Reformed or Calvinistic tradition. This does not mean that the idea of God's covenantal relations with men has been ignored in other theological traditions ... Covenant Theology is, however, a distinguishing feature of the Reformed tradition because the idea of covenant came to be an organizing principle in terms of which the relations of God to men were construed.²³

A complete exposition of this subject is not intended but the following relevant themes will be outlined: the archetype of covenant life, the redemptive covenant and human covenants. No attempt will be made to sketch the historical background or to deal with the different views of the covenant of grace except where these are relevant to the application to economic enterprise.

In dealing with the concept of the covenant of grace,

Professor Berkof states that "the archetype of all covenant life is found in the trinitarian being of God, and what is seen among men is but a faint copy (ectype) of this."²⁴ Two important observations are in place. Firstly, this statement of Berkof underlines the fact that covenant life has to do with relationships. Secondly, it compels us to consider that covenant life is necessarily consistent with the attributes of the self-consistent God. For our purpose it will be helpful to focus upon the righteousness and the love of God. Concerning righteousness Berkof says,

The fundamental idea of righteousness is that of strict adherence to the law. Among men it presupposes that there is a law to which they must conform. It is sometimes said that we cannot speak of righteousness in God, because there is no law to which He is subject. But though there is no law above God, there is certainly a law in the very nature of God, and this is the highest possible standard, by which all other laws are judged.²⁵

The Apostle Paul speaks of him as the God "who cannot lie".²⁶ This apostolic statement encourages Titus to confidence in God as the One whose ways strictly conform to the demands of truth. This is not submission by God to a higher law but is, rather, consistency with his own veracity. The corollary of this is that the eternal relationship between Father, Son and Holy Spirit is in strict accordance with the standard of their own nature and that they will not deceive one another. This relationship is a righteous relationship and it will be necessary to return to this point when the redemptive covenant and human covenants are dealt with.

The love of God is also deserving of treatment in this connection. Professor F.S. Leahy summarizes the relevance of this as follows:

We read in Scripture that 'God is love'. That is a much more profound statement than we generally realize. It refers us to the life of God as the self-existent One, a Being complete in Himself, self-sufficient and needing nothing. Within the Godhead there exists eternally a perfect and loving communion, a perfect, mutual understanding, a bond of loyalty and love. The Bible does not just say that God is <u>loving</u>; it declares that God <u>is love</u>."27 Thus it is a covenant life of righteousness and love within the Trinitarian Being of God which furnishes the pattern for other covenant relationships.

J.G. Vos, in his studies in the Covenant of Grace, defines a covenant of God with man as.

an arrangement for a certain purpose, made by God and imposed on man, involving certain promises on God's part and certain obligations on man's part. By such a covenant, a religious relationship between God and man is constituted or restored.²⁸

He is at pains to emphasize that God's covenants with man are not compacts or agreements in which God and man are equal parties negotiating some mutually acceptable bargain. The initiative is with God. On this view the covenant of grace is monopleuric in origin. It has been argued that it is this sovereignty of disposition which gave rise to the Septuagint translators selecting "diatheke" and not "syntheke" to render the Hebrew "berith". As Dr. Geerhardus Vos explains "syntheke" was objectionable because,

This word suggests strongly by its very form the idea of coequality and partnership between the persons entering into the arrangement, a stress quite in harmony to the genius of Hellenic religiosity. The translators felt this to be out of keeping with the tenor of the Old Testament Scriptures, in which the supremacy and monergism of God are emphasized.

He continues,

They felt that diatheke suggested a sovereign disposition, not always of the nature of a last will, and repristinated this ancient signification. And in this way they not merely overcame an obstacle; they also registered the positive gain of being able to reproduce a most important element in the Old Testament consciousness of religion.²⁹

Having allowed for the monopleuric nature of God's covenants with man and having ruled out the idea of them being equivalent to negotiated contracts we may make reference to the parties involved, promises given and obligations to be assumed. Our purpose here is not to deal with these in detail but to return to the archetype and consider the relevance of righteousness and love. In order to do this it is helpful to refer to the ancient analogy of marriage. Yahweh promised Israel,

I will betroth you to me forever. I will betroth you to me in righteousness and in judgement, and in kindness and in tender mercies. 30

And of Israel it could be said, "Your Maker is your husband."³¹ Professor Leahy takes up this illustration of covenant relationship in the following words,

Marriage is a covenant relationship. It is called a covenant in Malachi 2:14, 'She is your partner, the wife of your marriage covenant." Undoubtedly marriage is dipleuric in that two persons freely enter into the marriage bond, promises are made, and in the eyes of the State there is a legal contract; but basically marriage is a coming together in partnership of two persons who relate to each other in terms of loving loyalty and mutual trust.³²

This covenant bond is after the pattern of the covenant life of the Godhead where as we have seen there exists an eternal and perfect communion of love, a mutual trust and understanding and a bond of loyalty and love. Furthermore this covenant bond of marriage is itself a pattern of covenant relationship between God and man. In the covenant of grace man is drawn into fellowship and communion with God. In this relationship his life and work is one of obedience and joy within a bond of loving loyalty.

We can also speak of marriage as being within the context of righteousness. This is not to turn the marriage covenant into a merely legal contract. Though a man who loves his wife will remain faithful to her, this does not alter the fact that failure to do so is unrighteous. It not only would affect her , it would affect him. A breach of faith on his part would be a contradiction of the image of God in the husband as well as a despising of the image of God in his wife. When a man breaks faith and denies his wife, forsakes her or cohabits with another woman, he is not being like God. To be <u>un</u>faithful is to be <u>un</u>righteous. It is to come short of the standard of God's own Being. It is a contradiction of what he is. It is deserving of disapprobation and sanction and it is precisely this that we find in the prophecy of Hosea in connection with God's covenant relationship broken by unfaithful Israel.³³ Thus the engagement entered into brings with it responsibilities. Covenant fellowship with God involves correspondence with the standard of his own Being.

An important feature of the Reformed tradition is its recognition that the covenant concept is not exclusive to God's relationship to man but also has reference to man's relationship to man. Of this Professor L. Berkof says,

While the word <u>berith</u> is often used of covenants among men, yet it always includes a religious idea. A covenant is a pact or agreement between two or more parties. It may be, and among men most generally is, an agreement to which parties, which can meet on a footing of equality, voluntarily come after a careful stipulation of their mutual duties and privileges; but it may also be of the nature of a disposition or arrangement imposed by a superior party on one that is inferior and accepted by the latter. It is generally confirmed by a solemn ceremony as in the presence of God, and thereby obtains an inviolable character. Each one of the parties binds himself to the fulfilment of certain promises on the basis of stipulated conditions.³⁴

Thus in Reformed thinking the covenant concept has received wide application. It has been applied to the family as the following words of R.J. George show,

The family is a moral person. It is to be in covenant with God. It has institutions of worship peculiar to itself. It is embraced in the bosom of the Church. These are principles which the Covenanter Church has always recognized.³⁵

It has been applied to the realm of civil government as the following quotation from the Testimony of the United Original Secession Church shows,

Covenants entered into by a people with God which are at once lawful and laudable in their matter and permanent in their objects lay the societies, civil and ecclesiastical, who enter into these Bonds, under continued obligation to discharge the duties engaged in from generation to generation. $^{36}\,$

And we want to turn at this point to consider the contribution that the Reformed concept of the covenant can make in shaping business organization and industrial relations in such a way that the dignity of man is properly respected. In doing so what has already been brought into view about the nature of covenants will be applied to the business setting. In particular the importance of a relationship of righteousness, loyalty, love and truth will be emphasized as foundational to harmony in economic enterprise. This relationship, whether embodied in a formal covenantal disposition or arrangement or not, is the only kind of relationship consistent with the character of God and the dignity of man. It is thus the characteristics of right relationships which come into view in the consideration of covenanting and we want to work out the details in connection with business enterprise.

In the first place it is necessary to look at the importance of the concept of righteousness in guarding man's dignity in work relationships. As we have seen, in the <u>berith</u> God was called upon as witness of the transactions and the covenant obtained an inviolable character. Within the Reformed tradition there are different attitudes to covenantal law as to its application in contemporary society. Gary North brings out the difference between earlier and later Calvinism in this connection. He deals with John Calvin's view of external law in the following quotations and explanations,

Calvin ... favored the general principle of the <u>covenant</u>; covenanting men should be limited by consciences unrestricted by multitudinous legal pronouncements ... But the conscience is fully responsible before God in a world without sacerdotal mediation, and it needs rules to guide it. Where are they to be found? ... justice must find expression in external laws ... he [Calvin] equated the moral law of the Ten Commandments with natural law.

Mosaic law he divided into three parts: moral, judicial, and ceremonial. Only the first is universally binding on all men, for only it is a 'true and eternal rule of righteousness prescribed to the men of all nations and of all times ...' The civil government is responsible for the enforcement of the universal moral law ... At the same time, the Mosaic law is not to be enforced in its entirety ... The external forms were transitory; only 'the duties and precepts of charity can still remain perpetual.' What general principle enables the ruler to distinguish the transitory from the perpetual? There is no standard; <u>circumstances and equity</u>, both in perpetual flux, are to rule: 'Equity, as it is natural, cannot be the same in all, and therefore ought to be proposed by all laws, according to the nature of the thing enacted. As constitutions have some circumstances on which they partly depend, there is nothing to prevent their diversity, provided they all alike aim at equity as their end.' ... Calvin's civil law structure was not concretely, operationally biblical, except in name ... what the civil government needed was a set of standards for the directing of social life. On that point, Calvin was vague.³⁷

In contrast the later Puritans, as North explains, emphasized "biblical law as a tool of social reconstruction. ...They saw the fulfillment (sic) of God's promises in Deuteronomy 8 as literal: covenantal faithfulness in a community brings external blessings and progress."³⁸ This viewpoint continues to be maintained as a different approach to covenantal law within the Reformed tradition. The so-called civil law of Israel is seen as an explicit case-law system elaborating the Ten Commandments. These laws have the force of concrete rules so that civil and business affairs are to be guided by Old Testament law in specific cases such as usury or land laws.³⁹

It is not necessary to weigh the pros and cons of these two divergent views in order to see their common emphasis on righteousness. Both views see righteousness as inseparable from covenantal relationships in particular and human relations in general. They take divergent paths as to how to define what is righteousness in specific cases but there is no dispute that relationships must be consistent with Divine righteousness. What is not acceptable is to equate this requirement with the legality of a contract according to the prevailing legislation in a particular society. There may be a number of reasons why such a contract falls short of this higher standard of righteousness. John Murray illustrates this with respect to remuneration in the following paragraph:

First, it would be easy for us to think that what is to govern compensation is simply and solely contract between employer and employee ... It is to be admitted that compensation in agreement with contract may be perfectly proper and equitable. But it is easy to see that, if this were the governing principle of compensation, the prossest injustices could arise, as they have arisen. Contract can be the instrument of grievous oppression. The labourer can be compelled to agree to a contract that will reward him a meagre pittance of adequate compensation simply because the alternative is to be without any labour or reward ... Contract can be a proper method of employment and compensation. But it is only an incident; it does not itself determine what the adequate compensation is. How grand and noble is the governing principle of Scripture! 'Masters, render unto your servants that which is just and equal.'⁴⁰

The employer does not therefore fulfil the demands of righteousness merely by ensuring that a worker's employment is covered by a contract of service if the minimum wage he is able to pay under the circumstances keeps the labourer at subsistence level while the employer is able to enjoy high profits at the labourer's expense. Certainly James had no time for such exploitation whereby the workers were defrauded of their wages.⁴¹

It is also important to consider the bond of loyalty which is involved in covenant relationship. It is in connection with this that the parties to the covenant are committed to faithfulness and steadfastness. The covenant bond involves a twofold faithfulness, first, a faithfulness to one's own word and secondly, a faithfulness to one's neighbour. The former is according to the Divine covenant pattern. As John Murray explains, The necessity of truthfulness in us rests upon God's truthfulness. As we are to be holy because God is holy, so we are to be truthful because God is truthful. The glory of God is that he is the God of truth; the glory of man is that he is the image of God and therefore 'of the truth'. 4^2

Therefore to fail to stand by our own word is to fail to remain true and is at variance with the image of God. It is to forfeit that reliability which is indispensable to covenant making. It is to throw all into confusion. As Murray rightly asserts, "The foundations of all equity are destroyed when truth has fallen."⁴³

Not only is one's own dignity at stake in the covenant relationship, one's neighbour's dignity is also to be considered. The covenant as an analogue of relationships must not be reduced to a merely formal arrangement. The heart of a relationship is loyalty to one another. Relationships should have a sacred aspect to them because the parties entering into it are in the image of God. Love, though a lost dimension in so many human relationships, should not be abstracted as though an irrelevance. Analogical behaviour by men in the image of God after the pattern of the Divine exemplar of covenant making cannot exclude love. As Murray states,

to be like God in the sense of reflecting his image in knowledge, righteousness, and holiness is the essence of divine obligation and the glory of human virtue ... God is what he is, and we must be conformed to what he is in holiness, righteousness, truth, goodness, and love.⁴⁴

This demand of love transforms human relationships from what they would otherwise be, "a give-and-take", of "'claims and counter-claims' <u>between individuals who must live together and yet must live at the expense</u> of one another."⁴⁵

Thus the Reformed doctrine of the covenant faces the business community with being a community not of conflict but of cooperation where the relationships are to involve a love for one's neighbour. The relationships are not to be confined to cold, impersonal, contractual

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arrangements but are to have the dimensions of righteousness and love which guarantee honesty, faithfulness, trust and steadfast loyalty. This leads us then to point to some aspects of practical application for owners, managers and workers. Much emphasis is given today to contractual "rights" but as the foregoing has shown responsibilities accrue in consequence of arrangements entered into and relationships established. Irresponsibility with respect to obligations assumed is at variance with one's own dignity as in the image of God and is also inconsistent with one's neighbour's dignity as such. Irresponsibility is to be "not like God". To shrug off the demands of righteousness and love is a denial of his character and covenantal dealings and brings in its train alienation and strife. What then can be said about responsible owners, responsible managers and responsible workers?

In dealing with the subject of responsible owners it will be necessary to generalize somewhat. This is because of the problem of identifying the ownership group. Such identification is easy enough with small-scale enterprise such as the sole trader, the partnership and the family-owned limited company. But what can be said of the public limited company? Are the shareholders the owners or merely "post-creditors"?⁴⁶ The owners are taken here to be those to whom the business belongs, that is, the group whose invested capital is at risk in the firm. These owners are to make a responsible investment in which the demands of righteousness and love are met. This means that responsible policies must be defined. Such policies will provide for dealings with customers and employees in a way consistent with what has already been outlined. We saw at the outset of this subject that the firm is concerned with marketing, innovation and profit. Righteousness and love in producer-consumer relationships

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would require appropriate policies for products, prices and profits. The policy for products would cover among other things an acceptable product range and product quality. The policy for prices would recognize among other things that the maximum price an inexperienced buyer might be prepared to pay is not necessarily a fair price particularly if the nature of the product has not been fully described. The policy for profits would recognize the need for profits to be made consistently with the other policies. Righteousness and love in employer-employee relations would require an appropriate policy for people. This policy would reflect a concern for the welfare of the employees and a genuine recognition of loyal service. It would endeavour to give employees of some length of standing reasonable guarantees of continued employment though not necessarily in an identical type of work. It would not overlook the relationship between remuneration and services rendered to the firm. It would have at its centre the concept of "relationship" between employer and employees and would encourage structures and procedures for the firm which would not function in an impersonal way. This policy would address itself to production methods to avoid the type of subordination of humans to machines discussed in the previous chapter. The details that emerge should evidence the fact that the ownership group is acting in a genuinely responsible way and consistently with the demands of righteousness and love. The Reformed concept of human relationships is not primarily concerned with mechanics of operation but with changed attitudes and a renewal of industry in a way which is beyond the scope of re-directed investment and new technology.

Secondly, there is the matter of responsible management. There has to be an implementation of policy and a command of power to do

so. The relationships which exist in this connection will dominate the whole environment for good or ill. P.F. Drucker reveals the importance of the right kind of human relations in the following words,

... because Human Relations started out from the attempt to adjust the 'maladjusted' individual to the 'reality' . . . there is a strong manipulative tendency in the whole concept. With it there is the serious danger that Human Relations will degenerate into a new Freudian paternalism, a mere tool for justifying management's action, a device to 'sell' whatever management is doing. It is no accident that there is so much talk in Human Relations about 'giving workers a sense of responsibility' and so little about their responsibility, so much emphasis on their 'feeling of importance' and so little on making them and their work important. Whenever we start out with the assumption that the individual has to be adjusted, we search for ways of controlling, manipulating, selling him - and we deny by implication that there may be anything in our own actions that needs adjustment. 47

Clearly the genuineness of relationship to which the covenant points, a relationship of righteousness and love, answers to the need completely at this point. Managers acting upon such a basis will shun manipulative methodology as inconsistent with the dignity of the workers with whom he is in a supervisory relationship but he will at the same time have great prospect of securing co-operation by manifesting his respect for and concern about those under his control. Some indication of the expectations from management is given by Sir George Schuster in a book entitled <u>Christianity and</u> human relations in industry. He says,

The primary responsibility of 'management' is to do everything possible to ensure for the workers that their industrial work fits in with, and forms part of, a good life in the highest sense. I have said that this means that at the very lowest, industrial work should be so handled that it can be regarded as a dignified activity, a necessity of nature, a condition of selfrespect, not a positive evil imposed unnecessarily by the selfishness or incompetence of employers and capitalists. But I have added that management must not be satisfied with this 'very lowest' conception. They should strive in every way both to increase the opportunities for creative satisfaction in the work in itself and also to ensure that it fits in harmoniously with a satisfactory social setting for the workers' lives outside the factory. $^{\rm 48}$

Far from being unrealistic it has been shown that such approaches can improve productivity, sales and profits.⁴⁹ Drucker elsewhere states that:

What the business enterprise needs is a principle of management that will give full scope to individual strength and responsibility, and at the same time give common direction of vision and effort, establish teamwork and harmonize the goals of the individual with the common weal. 50

It is in the elements of convenantal relationship already outlined that such a principle can be found.

Relationships, however, are two-sided. Responsible management must be supported by responsible workers.⁵¹ The law is clear in connection with the employee's responsibility to his employer. P. Clayton summarizes the position as follows for the small businessman,

Although you and your employees have felt constrained to spell out all the details of your working relationship, the law assures you that you enjoy each other's trust and confidence and that your employees will serve you faithfully.⁵²

However the assurance of mutual trust and confidence existing is not the same as there being mutual trust and the responsibility for faithful service is not the same as responsible service. As John Murray reminds us, "is it not a well-recognized fact that the bane of much workmanship is that the workman worked well only when he was under the eye of his master or supervisor?"⁵³ Within the work situation the scope for laziness, theft and non-compliance with procedures is considerable. The best guarantee against such things is the nature of the owner-manager-worker relationship. This cannot be maintained without the trust which will secure the responsible service of the workers. When labour thinks only of its rights it is on the verge of overturning the whole structure of industry and replacing it by what John Murray calls "the tyranny of labour".⁵⁴

What evaluation can be made of this approach in the light of research from other quarters? Certainly Drucker has recognised the social dimension of work and the centrality of relationship. Of this he states,

Work is <u>social bond</u> and <u>community bond</u>. In the employee society it becomes primary access to society and community. It largely determines status ... work, since time immemorial, has been the means to satisfy our need for belonging to a group and for a meaningful relationship to others.⁵⁵

Does this relationship have to be a living together "at the expense of one another"?⁵⁶ Does industry have to become the arena of antagonism and confrontation in the Marxist class war?

There certainly have been other voices encouraging cooperation. According to Pope Pius XII,

In the economic domain management and labour are linked in a community of action and interest ... Employers and workers are not implacable adversaries. They are cooperators in a common task.⁵⁷

Brake summarizes the 1971 Methodist Conference view on the role of management. In connection with industrial relations he states Conference's view that:

Management of people was often in practice 'disguised paternalism', and to avoid this involved a realistic interpretation of 'consultation and participation'. Consultation could mean no more than discussion of a policy already determined, with the possibility of minor adjustment in details, or it could be 'an honest and candid prelude to decision making, but with full right to decision reserved to management after consultation', or it could mean effective participation, enabling workers to share genuinely in the actual making of decisions, at least within the specific areas of work where they could contribute from their own expert and experienced knowledge.⁵⁸ The use of such terms as "honest and candid" and sharing "genuinely" reveal the Conference concern for relationships of trust where the dignity of the various participants are preserved and hypocritical manipulative methodologies are avoided.

There is no lack of empirical evidence for the success of cooperation in industry. W.B. Werther, Jr. cites the success of employee involvement at Ford's Louisville, Kentucky, Assembly Plant in the following way.

As recently as 1979, the plant was plagued with massive layoffs, labor relations problems and defective workmanship. While considering to close the plant, Ford retained a consulting firm which concluded that plant management was autocratic and responsible for extreme worker dissatisfaction. Changes in management personnel helped bring out an improved spirit of cooperation which helped turn this plant around. The employee involvement program at the Louisville plant was implemented in 1980 and was an important step in turning around the plant. Of course, not all productivity and quality improvements resulted simply from cooperation. Ford did invest several \$100,000,000 in the complete overhaul of the plant.⁵⁹

It is also significant that within the context of cooperation employee responsibility has played a constructive role. J. Bailey makes the point that socialist countries do not escape the problems of motivation at work. He says,

Of particular interest was the fact that despite shared ownership of the means of production, socialist countries, and Russia in particular, experience just the same problems of management and motivation that we in the West have had to grapple with over the years. 60

He found the international conference visit to the Finnish Company Auramo particularly interesting. This privately owned medium-sized manufacturing company had implemented a very thorough reorganization adopting a suction system of production based upon a cellular approach. Instead of pushing production through the factory, the system would work on a suction principle pulling the parts through according to appropriate deadlines. Into this re-organization the following had been integrated:

- <u>Employee involvement</u>. It had been recognised that the cooperation of the whole staff was a precondition for successful implementation.
- (2) <u>Employee interest</u>. The re-organized jobs were more flexible, interesting and demanding, minimizing monotony.
- (3) <u>Employee responsibility</u>. Each employee accepted responsibility for the quality of their own production.

The success of the re-organisation was indicated by full order books, reduced delivery times, simplified planning, increased flexibility and the absence of unsaleable stocks. 61

Do not these examples furnish support for our central thesis that more attention should be focused upon the nature of the fundamental relationships within industry? Pope John XXIII in <u>Mater et Magister</u> emphasizes the importance of relationships in the following words,

... that the relations between the employers and directors on the one hand, and the employees on the other, be marked by appreciation, understanding, a loyal and active cooperation and devotion to the undertaking common to both, and that the work be considered and effected by all members of the enterprise, not merely as a source of income, but also as the fulfilment of a duty and the rendering of a service.⁶²

The long-term benefits of this can be seen in the contrast in the nineteenth century North American textile industries. P. Scranton compares the corporate style mass production Lowell with the more personal Quaker firms at Philadelphia. After the Second World War the former were closed down while the latter were still employing forty thousand workers! Scranton explains the fundamental differences in relationship between the two industries as follows: Two characteristics of the Philadelphia manufacturers are initially salient: they were largely brought up in shops and mills and were immigrants, and thus shared a cultural framework with their work forces. Until the eighties, most lived near the mills, above or in front of their workshops; many were active in churches and neighborhood associations, elaborating community-based bonds between owner and employee.

In contrast he explains,

Lowell's founders and shareholders were distanced both physically and culturally from those engaged by their agents for work in the factories. Their interests were from the outset uniformly focused on the delivery of dividends, ... Lowell lacked the overlapping cultural and community relationships among workers and owners that smoothed accumulation at Philadelphia ...⁶³

Where then lies the way ahead? The need to cover costs and the impetus to increase profits will not go away. The consequent pressures to improve productivity will remain. The advances of new technology will maintain the momentum of change. A breakdown in human relations will jeopardize the future of the enterprise. Will all be solved by a worker's revolution? Is conflict the only route to harmony? As we have sought to show there is a better road. This road involves raising the profile of man in the image of God in the business enterprise. It involves relationships where the dignity of man as such is recognized and respected. It requires a rejection of treating people in a particular way because such treatment will improve productivity. It requires a treatment of people in a particular way because of what they are in themselves. It is doubtful whether participation in its various forms can do more than plug the hole for a while if it is not accompanied by more fundamental changes of attitude such as the "removal of group hostilities".⁶⁴ The fundamental problem is thus that of relationships and it has been argued that the covenantal life of the Triune God should be our starting point. Relationships after this analogy place a premium

on righteousness and love and such relationships foster sincerity and concern. These beget a responsible approach on the part of all the parties involved and foster that co-operation in community which promises present improvement and future progress.

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<u>Chapter 5</u> <u>THE DIGNITY OF MAN WITHIN THE</u> <u>WIDER ECONOMIC ENVIRONMENT</u>

The dignity of man in relationship to economic organization cannot be concluded without looking at the wider environment within which economic activity takes place. The opinion is sometimes expressed that social, political and economic structures are neutral as far as the Christian is concerned. He can work within a variety of socio-economic frameworks. The fact of the latter does not, however, prove the former. Politico-economic structures are not neutral and not all systems are compatible with the dignity of man.¹ No worker exists in isolation but workers and firms, as well as consumers, influence and are influenced by the overall economic system. There is thus a need to subject politico-economic systems to scrutiny on the basis of Christian criteria. Reformed writers have, in fact, done this, analysing the contemporary economic environment and questioning the contemporary attitudes to man in his economic relationships. This chapter outlines the different approaches to economic activity focusing upon the attitudes to man implicit in them. It develops the Reformed response which has been twofold, firstly the criticism of contemporary economic systems and secondly the presentation of alternatives. Because of the vastness of this subject and the need to keep our consideration in this work within the context of the dignity of man in economic enterprise, we will focus upon the sovereignty of God over man as the great fundamental in connection with this matter. Existing economies will thus be evaluated in this light and illustrations will be given of Reformed alternatives. The implications of the latter will be considered and evaluated in relation to the contemporary scene.

In the preceding chapters, the dignity of man as being in the image of God has been considered. This dignity has been related to his vocation as one called to exercise dominion under God in his economic enterprise. In Chapter 3 the dignity of man in relation to things was considered and this required a treatment of man's dominion. It was pointed out that man's dominion <u>over</u> things is a dominion <u>under</u> God and that this guards against an exploitation of nature. This situation is well-summarized by R.J. Rushdoony who says,

This was man's cultural task, the creation of a culture and civilization in terms of the sovereignty of God, recognized by man and exercised under God's jurisdiction.²

This issue of sovereignty is inescapable. If the supreme rule of God is denied then a vacuum is created and some substitute sovereign must replace the divine sovereignty in men's thinking and consequent practice. This situation results in a subordination of man to some lesser sovereignty and a consequent disharmony ensues.

Before turning to consider this in more detail we need to take a bird's eye view of contemporary economic systems. There are different ways of attempting this but a common method found in the economic textbooks is to simplify analysis by looking at three basic types of economy, the laissez faire, the collectivist and the mixed capitalistic. It will be helpful to follow this typology because it leads us into the subject without us losing our way in a mass of descriptive detail. It needs to be understood that these three types are interrelated. Although laissez faire and collectivism stand at opposite poles, mixed capitalism draws on both and seeks an acceptable compromise by blending the best of the two extremes. In some situations it leans more to free enterprise whereas in others it leans more to collectivism. More attention will be given to the two extremes in order to draw out the relative strengths and weaknesses and then to examine them in the light of Divine sovereignty. It will be argued that because of a rejection of this sovereignty these models are not leading work in a direction which comports with man's dignity. It will also be argued that mixed capitalism is not something distinctively different but a combination of elements of the other two which fails to solve the problem of sovereignty although alleviating the symptoms of disharmony temporarily while fluctuating uneasily between the two poles. In the first instance we turn our attention to laissez faire economics.

At the heart of laissez faire lay the "invisible hand". As each individual pursued his own enlightened self-interest it was expected that the common good would be promoted. this model came to be associated with a number of ideas such as the following. (1) The market is the fundamental regulating mechanism. (2) Competition will eliminate inefficient firms. (3) The market mechanism will determine wages. (4) This economic structure is the one most compatible with a free society. (5) The efficiency of the system will ensure improved standards of living. 3 (6) The State should not intervene in the economy because the system is self-regulating. Nineteenth century Christian leaders found such an economic system congenial. They saw in the free market a defence against unjustified social privilege and favoured a legislative system which, in social and economic matters, would be as free as possible.⁴ They have, however, been criticized for being short-sighted in connection with the distribution of income and wealth. R.H. Preston finds them at fault in the following particulars. (1) They were complacent about the inequalities of income developed by the free market. (2) They failed to see that the automatic mechanism they so admired

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appeared to the common people like blind fate. (3) They gave little attention to the non-economic aspects of man's life. (4) They under-emphasized the ingenuity of the managerial side in manipulating the situation to their own advantage.⁵ As P.D. Anthony explains,

The amalgam of theory which came to be known as <u>laissez-faire</u> had advantages from the point of view of the manufacturer. It protected him from the criticisms of those who might be alarmed at the consequences of his apparently brutal behaviour. It forbade their interference on the ground that their good intentions were certain to harm those they were intended to help. It once again provided an explanation and a defence of relative positions in the new social hierarchy; employers deserved their position and so did the poor.⁶

Despite the severe criticisms to which laissez faire economics have been subjected, the system does have one great area of advantage. It lays stress on <u>the importance of the individual</u>. It contends for <u>individual freedom</u> to own business assets and to exercise choice as to where and when one will work. It underscores the importance of <u>individual enterprise</u> and personal fulfilment in work. It cautions against an irresponsible approach to one's economic support and commends <u>self-help</u>. It seeks to leave the individual free from restrictions in the economic enterprise so that by each pursuing their self-interest the benefit of all will be advanced. Wogaman summarizes the enduring contributions of laissez faire as follows,

 awareness of the importance of economic freedom and creativity, allowing for the maximum feasible initiative by individuals and groups, (2) the market mechanism which, with all regard for its imperfections, provides useful economic stimilus and effective structures for cost accounting and allocation of resources, and
 concern for the benefits of private consumption.⁷

Laissez faire's attitude to man is thus one which sets out to emphasize an individually responsible approach to economic enterprise leaving the individual free to exercise initiative and creativity.

Socialism has sought the answer to what it sees as the problems

of Capitalism in a collectivist approach. This requires a suspension of free markets and state determination of the allocation of resources. This would involve the public ownership of business assets and state planning of production, labour, investment and distribution. By the limitation of the production of consumer goods such command economies are able to achieve more rapid industrialization. Socialism is not, however, homogeneous. Goudzwaard distinguishes between centralized economic planning and decentralized economic planning. The former seeks to direct all decisions concerned with production. It sets the goals for production units in terms of "value added" and both quantity and price are "woven into a global financial and employment plan". In decentralized economic planning the main purpose of the central plan is to control the movement of capital and the individual production units are granted a large measure of autonomy. Both reflect a world view which rejects what is seen as the exploitation of the class society of capitalism and which gives primacy to <u>community</u> and <u>planning</u> man.⁸ This system is not without its weaknesses. A major inherent difficulty with the collectivist approach is the impossibility of transforming theory into practice. The range of economic decisions required in connection with a national economy cannot be effectively taken by the planning bureaucracy. Although the ideal of the collectivist is to free the individual from exploitation, the concentration of political and economic power ends up submerging him.⁹ Socialism does, however, exhibit the great strength of laying emphasis upon social relationships within a community. As Goudzwaard explains the position,

The people's community is the core of social life; if this societal will is given a democratic expression, a favourable societal outcome is guaranteed. In principle, social evil originates in the individual or sectarian group, and not in the community or its institutional arrangement.10 87

When these two extremes of laissez faire and collectivism are analysed in close proximity we can see why the mixed economy is considered to be so attractive and has many adherents. It represents a compromise between the individualism of laissez faire and the communal approach of socialism seeking to do justice to the better points of both. Without losing the necessary discipline of the market place the Government intervenes to ensure that inequalities are minimized so that the rich no longer get richer and the poor get poorer. The Government assumes responsibility for a whole range of matters such as economic growth, employment and social welfare. It employs a range of economic tools both fiscal and monetary to "fine-tune" the economy and so secure full employment, economic growth, stable prices and improved welfare provisions. It cannot be said that such interventionism has been received as a resounding success, and the "Welfare State" has come under fire from both the right and the left of the political spectrum as L. Newbigin explains. To the politico-economic right,

The Welfare State is the creation of well-intentioned, goodhearted but softheaded people, who thought that they could produce a measure of equality without having to accept the centralized command economy of full-blooded socialism. The Welfare State, in other words, is a compromise between capitalism and socialism which has the weaknesses of both and the merits of neither. It has undermined the effectiveness of the free market by reducing the rewards for excellence and the penalties for failure. It encourages minimum performance and makes the citizen a dependant of the ever-growing managerial bureaucracy. In their well-meant attempts to create equality, the advocates of the Welfare State have, to quote the title of Hayek's best-known book, led us down the road to serfdom.

At the other end of the ideological spectrum are the arguments of the left, which offer a contrary diagnosis of the failures of the Welfare State. The Welfare State has, it is claimed, failed to create equality because it is an attempt by government action to modify the malign effects of a free-market economy, instead of replacing it by something else. If all economic activity is governed by the principles of the free market, one cannot build upon that foundation a society governed by the opposite principle. However justice is defined, it is not compatible with the enormous disparities of wealth which laissez faire capitalism always creates. Any system which is perceived as totally unjust loses the legitimacy by which government by consent is possible. It is a cruel joke to talk about equality of opportunity among those who begin from the huge differences in wealth - and so in education, health and security - which capitalism creates.¹¹

It is observable from Newbigin's summary that the Welfare State is open to criticism. Those who champion the cause of individualism rightly point to the inherent weakness of State intervention in the interests of equality. In tampering with the market its effectiveness is reduced and the results are arbitrary. Instead of hard work and enterprise being rewarded, efficiency can be penalized. On the other side inefficiency can end up being cushioned by State contracts or State subsidies and valuable resources are wasted. In such a system, individual morale declines because working harder may yield no further personal benefits and initiative and creativity in economic enterprise is dampened down. Worse than this, the problem of dependency of the individual upon bureaucracy is increased. On the other side of the politico-economic spectrum the Welfare State is rejected as a halfway house which can never be successful. It represents a tampering with the market system which in the view of the left should be replaced altogether. On their view it is the market system which stands in the path of a just society and is the enemy of community. Although we might not agree with this analysis which lays the blame for our ills on the market economy as such, the criticism is valid that the Welfare State is at best a compromise and neither side sees it as solving the problem. What is argued in the remainder of this chapter is that a new approach is needed and that the way out of the instability is to take the whole matter to a deeper level by looking at the question of economic systems in the light of Divine Sovereignty.

There is a certain freshness when we turn to the Reformed responses to the types of economic system outlined because they lead the debate into new areas and enable it to be seen in a different light. As explained earlier, a detailed critique of each system will not be presented as this would occupy too much space, rather, attention will be focused upon the problem inherent in all three types of economy as at present practised, namely the failure to resolve the problem of sovereignty. As we said at the outset, the disregard of the sovereignty of God leaves a vacuum which ends up being filled by some lesser sovereignty. In human affairs the two competing sovereignties, as we have seen, are the sovereignty of the individual and the sovereignty of the community. The new sovereignty is the sovereignty of man and Reformed scholars have discerned the common trend in both capitalism and socialism towards an oppressive bureaucracy under which man's dignity as the image of God and his steward is disregarded. Industrial societies are caught in a scenario where technical progress necessitates concentration and the concentrated resources require control. But this scenario is also one in which the rule of God has been disregarded in economic enterprise and consequently the rule of man must take its place. What has resulted is a corporate bureaucracy or a state bureaucracy or a combination of both. In each of these systems the life of the individual becomes progressively dominated by an alien rule. In order to explore these matters further it will be useful to outline Max Weber's views of our present system including its development and see how Reformed scholars have interacted with him. Weber has drawn attention to a connection between Calvinism and the development of Western capitalism. He is careful to make the point that capitalism as a system of production has always existed everywhere.

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He explains the nature of "capitalist" economic action as being,

one based on the expectation of profit from the utilisation of opportunities for exchange, that is, opportunities for acquisition which are formally peaceful ... Where the pursuit of capitalist acquisition is rational, the corresponding action is organised around capital <u>calculations</u>. That is, it is ordered in such a way as to make planned use of material goods or personal services as a means of acquisition so that, when the balance-sheet is drawn, the final revenue of the particular enterprise in the form of goods with a monetary value (or, in the case of a continuing enterprise, the periodically estimated value of goods with a monetary value) should exceed the 'capital', that is, the estimated value in terms of the balance of the material means of acquisition utilised for acquisition by exchange.¹²

In the West, however, Weber sees capitalism as having developed in a distinctive fashion¹³ and he argues that Calvinism was a major influence in this connection. North summarizes Weber's argument as follows:

... the inner-worldly asceticism of Protestantism, and especially the Quaker and Puritan forms of Protestantism, constituted a major force favoring the development of rational calculation and systematic labor. The kingdom of God is to be brought into this world through godly labor - the calling - and the apostate world is to be subdued for the glory of God.¹⁴

This new asceticism can, according to Weber, be traced to the

Reformation.

The dropping of monastic ideals by the Lutheran Reformation meant the disappearance of the dualistic distinction between a universally binding morality and an especially demanding code for virtuosi. The otherworldly asceticism came to an end. The fervently religious individuals who would have gone into monasteries had now to practise their religion in ordinary life.¹⁵

Weber found the religious foundation for the inner-worldly asceticism in God's transcendence and predestinating purpose. The individual's assurance of his election demanded diligence in God's service according to one's calling in the everyday world. A.G. Poggi explains Weber's analysis,

The elect proves himself an elect, to the extent that his conduct is God-like, in the sense of relating to the world (including the individual himself) as God himself does.

Hence the characteristic emphasis on mastery, distance, and a long time perspective.¹⁶

This foundation resulted in a business ethic in which such ingredients as the following could be found: a stress on individual action; a responsible use of one's time and wealth; a desire to maximize the return on one's assets; a tendency to favour investment over consumption; an impetus to innovation and a use of competitiveness and profitability as guides to test the efficiency of the use of one's resources.

With respect to the present situation, Weber is concerned about the problem of human freedom and the inroads made by bureaucracy. This loss of freedom is not, however, attributed by Weber to capitalism per se. As North states of Weber's position:

Socialism would be, if anything, even more systematic in its reduction of the sphere of freedom, since a centralized state planning apparatus would control all production and distribution.¹⁷

Before turning to a fuller consideration of Weber's significance, it will be well to make two observations about Weber's thesis as assessed by Reformed writers. In the first place it is necessary to recognize that it is by no means taken for granted that there is a <u>direct</u> historical link between Calvinism and capitalism. Goudzwaard summarizes the present state with respect to the discussion that arose as a result of Weber's thesis. He says,

First, historically speaking there is definitely a connection between capitalism and Calvinism through the intermediary of later Puritanism. Secondly, it has proven far more difficult to establish a direct historical connection between capitalism and Calvinism. Finally, doubts have been raised by some writers as to whether the material derived from Calvinism and Puritanism is sufficient to explain the characteristic spirit of capitalism. ¹⁸

In the second place, it is important to emphasize that Reformed scholars recognize Weber's realization that religion was not the only influential factor. North explains as follows: Weber did not rest his case merely on the influence of religion. He was far too wise a scholar to rely on any monocausational theory, as the final paragraph of the <u>Protestant Ethic</u> indicates. Religion has been only one factor among many in the process of Western rationalization. Today it is probably a minor factor; it is no longer needed to sustain the process. Rationalization is now selfsustaining:

'Since asceticism undertook to remodel the world and to work out its ideals in the world, material goods have gained an increasing and finally an inexorable power over the lives of men as at no previous period in history. To-day the spirit of religious asceticism - whether finally, who knows? - has escaped from the cage. But victorious capitalism, since it rests on mechanical foundations, needs its support no longer.'¹⁹

For our purposes this latter point has considerable importance. Not only was Weber of the opinion that religion was not the only factor he also felt that it was no longer the sustaining factor. Whatever the exact historical connection between Calvinism and capitalism the religious input is no longer a significant one. The question of the kingdom of God has receded from view and other sovereignties have emerged. To develop this matter further we turn to a fuller consideration of Weber's significance by looking at the views of Gary North.

North assesses the significance of Weber in an essay entitled, "Max Weber: Rationalism, Irrationalism and the Bureaucratic cage". He regards Weber's importance for sociological theory as beyond over-estimation.²⁰ This is not because of his emphasis on the influence of religion but because he has given an introduction to the crisis of our age²¹ and illuminated the need to address the matter of sovereignty.²² How does North arrive at this particular evaluation? He argues that Weber grappled with the central issue in connection with political economy. He posed the question, "how are freedom and democracy in the long run at all possible under the domination of highly developed capitalism?"²³ He found an inherent conflict between the principle of individuality and the principle of rationality. These two belong together because an essential feature of personality is a rational and methodical way of life. But in the modern world of work rationalization is antagonistic to personality. This is not to suggest that capitalism as such is to blame. As North explains,

It is not capitalism as such which has destroyed freedom; it is the scientific, technological and bureaucratic ideology, coupled with institutions based on rational calculation and production for a mass market, which have brought forth industrial society.²⁴

Indeed Weber sees Socialism as aggravating the problem.

The abolition of private capitalism would simply mean that also the <u>top amanagement</u> of the nationalized or socialized enterprises would become bureaucratic. ... The private and public bureaucracies, which now work next to, and potentially against, each other and hence check one another to a degree, would be merged into a single hierarchy.²⁵

Weber has thus highlighted the problem that <u>both</u> capitalism <u>and</u> socialism are antagonistic to personality because of the subordination of the personal to impersonal rationality. Here what is essential to personality, a rational and methodical way of life, has become the enemy of personality. Weber has thus in effect presented a telling critique of contemporary capitalism, socialism and mixed economies. But North finds that Weber is unable to solve the dilemma. He has raised the question and focused upon the area of problem but could not present a way out. The future, according to Weber, holds,

Not summer's bloom ... but rather a polar night of icy darkness and hardness, no matter which group may triumph externally now.²⁶

North accepts that Weber over-estimated the irresistible nature of the rationalizing processes but maintains that his central thrust is valid. As long as no higher sovereignty is sought than that of man himself, the solutions will always be unacceptable. There can be no rejection of a rational approach because man is a reasonable creature. There can be no rejection of industrialization because a collapse of industrial production will cause immense hardship.

North's analysis has thus underlined that there must be a methodical approach to work if the world of work is to be compatible with the nature of man. But this approach must be in a different kind of context to that which currently pertains. Both capitalism and collectivism as at present practised have failed. The various forms of mixed capitalism have produced no new perspective as they move between the two poles of laissez faire and collectivism. The problem is a sovereignty-related problem. Is personality to be rescued by individualistic decisions at the expense of community or must collective decisions hold sway at the expense of the individual? The question is in short: Where is sovereignty to be located? Reformed writers have responded to this question by reference to the sovereignty of God.

In line with this, E.L.H. Taylor maintains that the sovereignty of God is the foundation of both individual personality and true community and that it is needed for the preservation of both.²⁷ From this standpoint existing economic systems turn their own strengths into weaknesses. Thus capitalism absolutizes the individual. It replaces the sovereignty of God by the sovereignty of the individual producer and consumer. Economic activities are thus directed solely by considerations of price and competition within a market orientated environment.²⁸ There is no recognition for true community or love; rather contemporary capitalism "monetizes all human relationships and makes cash the only nexus binding men together."²⁹ Collectivism similarly turns its great strength into weakness. It absolutizes the State in order to provide a substitute for the sovereignty of

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God. Thus the collective body which is supposed to be the means of salvation from alienation in fact enslaves the individual. <u>The</u> fundamental of personality is lost sight of: "<u>Man has been created</u> in the image of God, not of society."³⁰ Taylor puts it this way:

Laissez-faire capitalism must be rejected because it makes the individual consumer and producer the criterion for its economic and social philosophy. Totalitarian communism must be rejected because it absolutizes the State and makes all individuals become its slaves ... Both systems look upon man merely as a <u>function</u> rather than as a <u>person</u> ..."

As we have already said from this standpoint mixed capitalism produces no new perspective. It does not represent a different approach. It is merely a synthesis or compromise and fails to solve the problem of how the individual is to be related to society.

As Taylor explains,

In the history of social thought, there has been a continuous conflict between those views which would make the individual prior to the group of which he is a part and those views which would make the group prior to the individual.³²

Mixed capitalism remains temporary and transitional because it does not unite the competing sovereignties but is at one time pulled more in one direction and at another in the opposite. What is needful is a different kind of system.

The basic proposition is that the need is for a sovereignty which preserves man's regal dignity as God's image bearer and which will outlaw the extremes of individualism at the expense of community and totalitarianism at the expense of individuality. The required sovereignty is the sovereignty of God. As Taylor explains,

No bearer of authority on earth is the highest power from which other forms of social authority are derived. Sovereignty belongs only to God, while He delegates limited authority only to the various social spheres, so that these must be understood as coordinately rather than subordinately related.³³

He elsewhere states,

God alone is the absolute sovereign of the social organization-types to which he has delegated only partial authority necessary to carry out its function in society. No particular bearer of authority on earth can be thought of as the constitutive power from which all other forms of social organization or authority are derived. No institution, be it a church, the State, labor union,or big business enterprise must absorb the individual completely nor dominate society. Only God's Kingdom should thus absorb all of men's interests and it should not become identified with the sole interest and consideration of any <u>one</u> temporal social organization.³⁴

We commence our consideration of the application of the doctrine of the sovereignty of God to social structure with H. Dooyeweerd.

Nicholas Wolterstorff gives a useful summary of main points of Dooyeweerd's ideas relevant to economic enterprise. The starting point is man's cultural mandate. "It is the calling of humanity to bring to realization the potentials stored in creation."³⁵ Genuine human history is made, therefore, when a cultural activity takes place which breaks from tradition. This cultural activity is linked with the exercise of power. "Cultural activity involves mastering."³⁶ Such mastery over the natural world is good as long as power is applied in the right direction, namely a cultural development in keeping with God's creation order. The right use of power is in moving in the direction of increasing differentiation which lies at the heart of realizing creation's potentials. Thus the norm for history is "the opening or disclosure of culture"³⁷ which requires "the differentiation of culture into spheres that possess their own unique nature."³⁸ In this way everything will be unfolded in accordance with its inner nature and life spheres will emerge each of which will be characterized by its own inner nature.³⁹ There will be a branching out into economic, political, educational, and ecclesiastical formations and abiding types of social structures will emerge such as the

State, the School, the Production Enterprise and so on. In this way creation's potentials will be opened up.⁴⁰ Thus our culturalhistorical project is to aim at the following three goals: (1) "that each social formation realizes the normative nature of its particular type, or structure."⁴¹ (2) That the <u>sovereignty</u> <u>of the spheres</u> is preserved and institutions in one sphere do not dominate institutions in another sphere.⁴² (3) That <u>disclosure</u> is sought. That is, life within each sphere must be <u>open to</u> the norms of the other spheres. As Wolterstorff explains,

Economic activity, for example, is never exclusively economic in its significance: it has moral significance, it involves the use of language, and so forth; accordingly, it must be faithful not only to economic, but to moral, linguistic, and all other norms.⁴³

Wolterstorff finds this approach "extraordinarily general and abstract".⁴⁴ In fact it is doubtful that Dooyeweerd himself progressed far beyond a kind of mixed capitalism. He did not advocate laissez faire but at the same time rejected a state involvement in the economy by which the state placed its own authority above those authorities which are proper to the economic sphere. He was, however, in favour of the government developing favourable conditions for economic prosperity. The types of action that would be visualized include (a) upholding wage rates, (b) protecting collective agreements in connection with conditions of work, (c) employee protection against monopolies and combines, (d) social legislation for minimum wage laws, (e) curtailing monopoly power and making competition effective, (f) separation of the authority of the employer and the authority of the government in connectionwith industrial activity, and (g) maintaining free economic enterprise. Of this latter Taylor says,

Dooyeweerd holds that industrial life is the result of a process of economic differentiation during the course of history, by means of which it has come to develop its own inner nature and its own principles. This is the principle of free economic enterprise qualified by capital and labor, which must not be absorbed by the state if society is to develop in freedom as God has ordained. For this independent function of free enterprise is inseparably related to the principles of risk and mutual competition. And the profits earned are wholly justified when we consider the services which free enterprise offers to human society.⁴⁵

Taylor has developed the sociological application of what has come to be called <u>sphere sovereignty</u>. He gives in an appendix a summary diagram illustrated in Diagram 6. It shows in the lefthand column the <u>law-spheres</u>. These spheres are presented as the order imposed upon his universe by God the King. As Spier explains,

The cosmic law-order has its origin in the Sovereign Will of the Almighty Creator and is composed of a series of law-spheres which do not arbitrarily intermingle but which have been placed with their laws and subjects in a specific order.⁴⁶

Spier explains the economic sphere as follows,

The nuclear moment of the economic modality consists in the <u>saving of calculated values</u>. Or stated more simply, it consists in thrift, because of the fact that things have value, unless they are available to everyone in an unlimited quantity. Air for example, is free, because its supply is unlimited. The nuclear moment of the economical sphere combines the principle of <u>saving</u> with the moment of <u>parsimony</u> of serviceable goods. In the economic modality the value of one commodity is measured by the value of another.⁴⁷

The centre shows the <u>individuality structures</u> indicating which of the law-spheres are applicable to each. Thus animals, plants and things do not operate in the economic sphere as subjects. In the right-hand column the <u>societal structures</u> are represented indicating the limits of each with respect to the law-spheres in which they operate. Taylor sees sphere sovereignty as a limiting doctrine preventing the individual from being absorbed by temporal bonds. The absolute sovereign is God and whatever claims might be made by civil or ecclesiastical authorities on earth, they exercise a delegated authority and no one authority sphere has a totalitarian

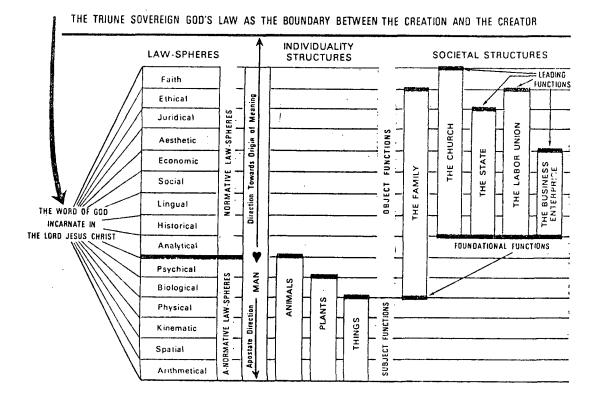


Diagram 6⁴⁸

supremacy over the others. The consequence of such sociological pluralism is that each social unit has its own God ordained sphere of operation.⁴⁹ In connection with economic systems, Taylor is thus led to reject both laissez faire individualism and socialist collectivism. In the case of the former the government's function is determined by the ground-motive of freedom, whereas in the case of the latter it is determined by the ground motive of science involving total rational planning. Taylor further explains,

The laissez faire school thinks that the freedom of the individual must be the criterion of the state's intervention in the economic process always coming to a halt at the point where the individual's freedoms and civil rights are being infringed upon. The collectivist thinks that the public interest must take precedence over the private interest and that the good of the whole body politic must come before the good of the individual.

The dilemma can only be solved by looking at the problem in the light of God's order. Taylor goes on to say,

According to the scriptural principle of sphere sovereignty it is only in terms of God's ultimate sovereignty that the function of the state can be properly understood. The state is ordained by God to maintain the external public legal relations between the social spheres. For this reason neither individualism nor collectivism is acceptable to the consistent Christian who recognizes only God's sovereignty in this world and rejects any claim to sovereignty on the part of the individual or of the collectivity as idolatry.⁵⁰

It is thus only when God's sovereignty is brought to bear upon the socio-economic environment that full justice can be done to man's dignity. As Taylor elsewhere says,

Man is created as an individual person and as a member of society and ... both are responsible to God.⁵¹

The emphasis on the free market has been taken up by others who do not formulate their views in terms of the law spheres and who would not hesitate to call themselves Christian capitalists. It should not be overlooked, however, that they are not thereby



subscribing to the unacceptable face of capitalism (or for that matter of socialism) where human dignity is crushed beneath the technocratic machine. They look back to that inevitable 'capitalist' economic action which is rooted in the nature of the environment in which man must exercise his stewardship role under God as King. This involves economic action consistent with God's order and circumscribed by considerations beyond economics. Edward Coleson emphasizes this aspect in connection with the salve trade debates.

During the long years of debate over slavery (the English slave trade was abolished in 1807 and plantation slavery in the colonies in 1834), the economic argument did come up, but Wilberforce and his associates insisted that 'a Christian country should be glad to give up profits which are made out of human shame and misery.' This is Christian economics: the profit motive is ligitimate [sic], but there can be more important considerations.⁵²

Rushdoony distinguishes a Christian free market approach from protectionist capitalism. He maintains that too often both capital and labour want subsidies not freedom and seek statist intervention into the free market on their behalf. He rejects a mere concern for profits because the free market "represents a faith in the value of economic freedom ... Profits are but one aspect of a general advantage which accrues from economic freedom, and there is thus a substantial difference between the free market and the capitalism of an interventionist society."⁵³

It will be useful at this point to seek to draw out some common features from the various views which have been summarized. These can then be evaluated in the light of views expressed from outside the tradition and serve as basic planks for constructing an alternative economic system compatible with the worker's dignity as being in God's image.

We commenced this chapter with a review of the three basic types of economy, the laissez faire, the collectivist and the mixed capitalist. We saw that the latter was a derivation from the other two and involves no principiant differentiation. The strength of laissez faire lies in its emphasis on the individual and the strength of collectivism lies in its emphasis on the community. Both, however, suffer from the weakness of having absolutized the temporal. This has resulted in the substitution of a lesser sovereignty for the sovereignty of God. It has been argued that what is needed is a new approach which will carry matters to a deeper level. The need for a new approach has been recognized elsewhere. The 1967 Methodist Conference rejected both the Marxist concept of society and that of individualistic self-seeking. The Christian, they affirmed,

cannot accept a total dominance by the community that would reduce him to the indignity of an atom in a mass. He cannot regard the life of man in society as a battle in which his primary aim is to strive for personal benefit. Nor can he surrender with a good conscience the responsibilities that belong to the rights he properly claims.⁵⁴

It has been argued that what is necessary is to approach economic structure in the light of the sovereignty of God and that this points the way out of our socio-economic dilemmas. Only in this way can the lesser sovereignties be curtailed and man be delivered from the bureaucratic dominance of man. The inevitability of concentration has been emphasized. This concentration arises under capitalism and socialism in present circumstances. We have argued that lesser sovereignties do not alleviate the problems of concentration but rather end up aggravating them because the sovereignty of God is overlooked, or worse, is rejected. It has been submitted that what is needful is reform in the light of this ultimate sovereignty. Reformed scholars have emphasized that the corollary of Divine sovereignty is a Divine order and that it is within this order that the interest of the one and the many can be balanced. A failure to take this route and the seeking instead of progress independently of God is seen by North as an untenable option. He comments as follows,

Autonomous human reason has been pushed as far as it can go, as Weber's writings demonstrate, and it has led to despair, confusion, and continual tension. 55

There must be a reform according to God's order for creation. The Reformation concept of God's order for society has been commented upon favourably by writers from outside the Reformed tradition. Consider for example the following statement of R.H. Preston:

For centuries Christian theology has expressed in various ways the organic and corporate nature of human life. One of the most fruitful, which I take as an example because it is not as well known in this country as it ought to be, is the Reformation doctrine of the Orders of Creation. It is a way of understanding theologically the fact that certain basic structures of life are not chosen by man but are found to go with the mystery of human life itself.⁵⁶

Preston mentions in this connection, marriage and the family, the economic order, the political order and the community of culture.⁵⁷

It has been emphasized that such a Divine Order leaves no room for totalitarian planning by State or corporation. It does full justice to the community bond without submerging the individual's life under bureaucratic control and it does full justice to individual freedom without deifying self-interest. It unifies the one and the many under a higher sovereignty which defines the <u>limits</u> of particular social groupings. As North explains,

The constant expansion of central power along bureaucratic lines must be reversed ... The many must not be permitted to be swallowed up by the political one. Christian sociologists must be guided by biblical law in this search for proper boundaries of legitimate sovereignty; they must use God's revelation to discover the middle excluded by anarchism and totalitarianism. Between formal law and substantive arbitrariness ... 58

Only by bringing the sovereign God into our considerations about the economic system have we any prospect of preserving the dignity of man as the image of God in his daily work. The task ahead must surely be the definition of proper boundaries of legitimate sovereignty in connection with socio-economic activity.

One final point is in place in connection with the divine order. The market place is necessary. There is no other effective guide to efficiency. All production has to be "capitalist" in the sense of being organized around capital calculations. The need for Christian capitalism derives from the facts that capitalistic production is inevitable but when conducted under the sovereignty of man it becomes intolerable spawning either a selfinterested individualism or an individual dominating collectivism. But rational planning cannot be forsaken without denying personality. In the preceding chapter it was seen that the survival of the firm or indeed any unsubsidized production unit cannot be divorced from capitalistic production. In this chapter it has been demonstrated that this capitalistic production cannot be divorced from God's order without becoming ugly and oppressive. The need therefore is to attain to a humane capitalistic economy where full justice is done to the dignity of man and the sovereignty of God. Therefore previous chapter showed the need for changed attitudes and relationships within the business organization and Chapter 6 will show the need for change in connection with the rewards of work. Only when positive steps are taken in the directions indicated will the unacceptable face of capitalism recede. Its removal in this way of reformation is vastly preferable to collectivism's burdensome bureaucracy which must eventually resort to capitalistic production unless it is to be a perpetual parasite or indefinite borrower. Reform is also much to be preferred to the violent revolutions which have become characteristic of our war torn world today. If the economists,

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politicians and capitalists will not have God's order, given time, they will have no prosperity either while a Dark Age of totalitarianism or revolution consumes our national wealth.⁵⁹

<u>Chapter 6</u> THE DIGNITY OF MAN AND THE REWARDS OF WORK

In the preceding chapters we have been developing a Reformed model for economic enterprise based upon the dignity of man. Ιt has been argued that the nature of man and the nature of work must be related to business activity. As God's image-bearer man was made God's vice-gerent and all labour in a legitimate employment is a sacred calling of God. This labour ought not to be divorced from the matter of dominion. Man under God's sovereignty is to rule over nature in Him and for His glory. In the inevitable relationships of economic activity righteousness and love are to govern conduct after the pattern of the covenantal life of the Trinity. But what is to be done with the fruits of work and how are they to be related to the labour expended and the natural resources and tools employed? If we fail to address this question our economic model will be left incomplete. But happily this is a subject upon which the Reformed doctrine casts light.

The workman being worthy of his hire is a principle firmly embedded in the Hebrew-Christian tradition. No consideration of the dignity of man in relation to work could be complete without a consideration of that dignity as reflected in the rewards of work. In the treatment of this contemporary approaches to the subject will be outlined first. In the micro situation rewards are made a matter of technical apportionment in connection with job satisfaction, status, remuneration, perks and leisure. In the macro situation the matter of remuneration remains one of ideological conflict between those who favour market forces and those who subscribe to the labour theory of value. It will be shown that these approaches are deficient with respect to the dignity of man because they fail to relate the rewards of work to man as God's steward. In bringing the Reformed position to bear on the problem of remuneration, attention will be focused upon the doctrine of stewardship and several implications will be stated and evaluated. These will include the following:

- (a) Stewardship is the key to rewards and this stewardship is
 within the complex of production scarcity choice risk
 responsibility returns.
- (b) Stewardship cannot be confined to the stewardship of time.
 Man's dignity as God's image is also related to the stewardship of goods.
- (c) Stewardship returns are to be just for both time and goods. A return to economic goods creating utilities is not to be neglected but this return is not to be to the detriment of the labourer who is to derive benefits commensurate with his work.
- (d) Man's dignity as a worker is preserved only when work yields spiritual as well as material rewards. A correct balance between both is to be maintained and a return in material welfare is not to be substituted for personal development.

The reward package in connection with contemporary employment has become very complex and varies considerably from one job to another. It might include in addition to pay such things as the following: pension entitlement, job security, good holidays, promotion prospects, training programmes, opportunities for the improvement of occupational skills, recreation facilities, a pleasant work environment and flexi time. In a study of automation and the American automobile worker, several interesting results emerged. The project was designed to study how the organization of automation of large-scale industrial processes could contribute not only to improved productivity but to a more satisfying working life for the employees. The research was of value in indicating employee priorities in connection with the rewards and conditions of work. The introduction of sophisticated technology rated very low in connection with making work more interesting in this type of industry.¹ The significance of worker participation was found to be below the expectations of the researchers. They summarize the position as follows:

. .

Many of us who helped to plan the multinational study expected that workers who had a greater share in determining what they did, how they did it, and what they got for their work would be more satisfied and more productive. We anticipated that participation in decision making would emerge as a key variable influencing worker motivation regardless of differences in the nature of their societies or the type of technology with which they worked.

The American data, however, hardly support this expectation insofar as these workers in a major mass production industry are concerned. We explored the <u>opportunities for participation</u> in decision making in the plant as perceived by the workers, and the amount and character of their <u>actual</u> participation. Neither turned out to be significantly related to most indices of job satisfaction, productive behaviour, or acceptance of new technology.²

Pay and conditions were found to be more significant, particularly for a certain type of person, along with good working conditions and an unpressured work pace. However, for other workers these were found to be "a floor, not a ceiling, of aspiration". They were necessary conditions of satisfying work but were not sufficient in themselves.³ The two matters that stood out beyond this were job security and job challenge.⁴ The latter was found to be,

particularly influential with those whose major motivation is to find in their work a means of self-expression, with opportunities to use and further develop their skills and to feel that they have counted for something.⁵

The job challenge factor has received considerable emphasis in recent years along with other ingredients such as autonomy, variety and recognition. It has been maintained that when such

factors are lacking, job dissatisfaction results just as it does for other workers in connection with bad working conditions and poor human relations. Consequently psychology has been enlisted with a view to designing jobs in such a way as to improve the quality of working life by meeting the personal requirements of the employee as well as meeting organizational and technical requirements. The advantages of such design are summarized by W.F. Cascio as follows,

First, job redesign can improve the basic relationship between a person and his or her work - the core of most organizational problems. Second, effective work redesign changes behavior directly and does so in a way that maintains the change. Third, work redesign ... offers the chance to initiate other organisational changes and to alter managerial style. Finally, in the long run, work redesign can help organizations <u>rehumanize</u> rather than <u>dehumanize</u> the people who work in them (Hackman, 1975).⁶

Developments in this direction have included organization modification allowing for the development of autonomous work groups; job enlargement allowing individuals to determine their work pace and control their own quality; and job enrichment where responsibility for planning and control of the job is given to the worker.⁷

It would certainly be short-sighted to write off the advances made in making work more rewarding by such methods. The approach falls far short, however, of what is needed to restore to man his true dignity in work as can be seen by looking at the aim, method and outcome of job design. The aim of job design is basically impersonal and technical. It takes into consideration the human psychology but only insofar as that is necessary to develop performance improvement programmes. The aim is centred in productivity not people. It involves a subordination of people to impersonal aims. As Beatty and Schneier explain, contemporary personnel practice seeks improved performance by offering workers rewards. These rewards are

classified as extrinsic and intrinsic. The former come from external sources as when pay is received from the employer but the latter arise from the work itself in the worker's feelings of achievement or pride in his job. Job enrichment is directed to producing intrinsic rewards. The techniques used in connection with extrinsic rewards aim to change the employee's observable behaviour rather than employee attitudes or job satisfaction. Such "behaviour modification" is achieved by environmental management which gives rewards for desired behaviour and metes out punishments for undesired behaviour.⁸

The methods employed show that it is technical man that is in view not man in the image of God. Job Enrichment and other programmes are techniques designed to motivate workers as Beatty and Schneier state in the following definition, "JE is a technique designed to improve performance and productivity by offering intrinsic rewards."⁹ In connection with behaviour modification and positive reinforcement the following can be potentially useful reinforcers:

- Feedback on performance
- Verbal praise from superiors
- Assignment of preferred work activities Assignment of special projects typically
 - performed by supervisors
- Publicity in organization newsletters
- Opportunity to attend training
- Opportunities to train others ... 10

We have already had cause to object to people being treated as machines and discern again at this point the danger of the worker being reduced to a tool to be shaped and manipulated. This is not dignity in work but degradation. A similar situation has arisen in connection with worker participation. "Why get involved?" an article in Labour Research lists some of the techniques developed to increase "employee involvement" without leading to any industrial democracy or worker control. The intention is to increase productivity by technical means and obtain innovative ideas from the workforce. The techniques include the following: (1) Attitude Surveys which use questionnaires to obtain employee opinions; (2) Team Briefing which is a system of direct management communication with employees to ensure that the workers understand their contribution to the firm; Employee Communications in which management formalises the (3) dissemination of information; and (4) Quality Circles which are small groups of workers who discuss work-related problems in order to try and solve them. These are based upon the thinking that employee participation in data dissemination and decision making will generate good ideas, facilitate the implementation of new systems or equipment and increase the employee's sense of belonging and motivation to work.¹¹ It is again observable that these are technical adjustments designed to modify behaviour in the interests of improved performance and that they consequently have a strong manipulative tendency.

It is also interesting to note that the outcome of Job Enrichment has been varied. Not all of the empirical research has found JE to have been a success.¹² Cascio's conclusion is as follows:

For the present, emphasis must be placed on the word <u>potential</u>. While such positive effects have been realized in carefully condicted job-enrichment projects, many others have failed. If behavioral approaches to designing work are ever to become powerful tools for organizational improvement, the challenge of implementation will have to be met with the meticulous and diligent attention it deserves.¹³

It would be unfortunate if this challenge were to be faced without a change of approach to the worker so that he is dealt with, not as technical man, but man in the image of God. Only so can the manipulative aspect be avoided and true dignity be preserved in connection with the rewards of work. These opening considerations would receive scant attention from those who see the ideological warfare as central to the rewards of work. Marxism seeks a much more root and branch approach to the problem. Marx sees history as a dialectical process arising from the tensions between the productive forces and the relations of ownership and possession. The latter drag behind the changes taking place in connection with the forces of production. This is seen in capitalism. Large-scale industrial production necessitates communal ownership of the means of production but the capitalist class endeavour through private ownership of property to hold on to the business assets. In doing this they bring on the destruction of the capitalist social system. It will be replaced by communism which is the goal of history.¹⁴ For Marx the

basic evil consists of the circumstance that the worker is estranged from - is alienated from - ownership of the means of production. The entire process of alienation is set in motion because the means of production do not belong to him but to the capitalist. It is not a result of industrialization itself. Rather, it stems exclusively from the existence of private property in the means of production and its consequences.¹⁵

For Marx a person's right to dispose of the fruits of his own production is intimately connected with his route to self-realization. Consequently the abolition of private property will remove alienation.¹⁶ Marx was thus a thoroughgoing abolitionist. By getting rid of private property and the wages system the labouring class would reap the rewards of work. Goudzwaard illustrates the influence of the Enlightenment on Marx in such things as the idea of progress, man's dialectical relation with nature, man's development to self-realization and the redemptive value of human labour.¹⁷ As we sought in the preceding chapter to present a different type of approach to the problem of the economic environment so in the remainder of this chapter the case is argued for something more than a response in terms of communal ownership such as Marxism advocates. It is argued that man the worker must be recognized as man the steward in order to relate the fruits of labour to work and the worker.

The Reformed position emphasizes man's stewardship and sets the rewards of work in this context. There are several important relationships which are relevant and Tom Rose touches upon these in a paper entitled, "Economics: From a Christian Perspective?"¹⁸

(1) Work and production

The production of goods and services satisfies human wants. The level of production is influenced by the human input. Diligent labour increases output and raises living standards. Sloth and immediate consumption result in economic and social stagnation. Rose illustrates this from empirical evidence presented in a film by the Sudan Interior Mission which showed the differences in connection with work attitudes and production in two different villages, one influenced by the Christian message and the other which remained pagan. At the close of a thirty year period, living standards in the latter were unchanged whereas in the former case considerable improvement was discernible. Work and production are inseparable.¹⁹

(2) Production and scarcity

Production takes place in a particular kind of natural environment where there is a basic economic problem of scarcity. As Rose explains, "The idea of scarcity in the study of economics means that man does not have unlimited means of choice at his disposal \dots "²⁰

(3) Scarcity and stewardship

Man has been placed as God's steward in this economic environment where the means at his disposal are not unlimited. This is the context of his stewardship. "Man", says Rose, "is in economic

Control of the Lord's creation. He is the Lord's steward. He is to subdue (control) the earth in order that he may multiply, yet he is to replenish (preserve) its natural resources."²¹ To focus upon scarcity without the doctrine of stewardship is to run into serious moral dilemmas.²² Goudzwaard prefers to replace the idea of scarcity as prime by a stewardship category. He says for example,

In my opinion the only solution is for us to abandon the concept of scarcity and to substitute for it the concept of <u>entrustedness</u>. God has entrusted to us the creation in which we live. Our task is to care for it and to preserve it. The ecosystem of this world is entrusted to us, including all its possibilities and potentialitites for production. All people are divinely charged to carefully administer everything that has been given to them. Economic objects are always objects of entrustedness.²³

(4) Stewardship and choice

The nature of the economic context in which man works as God's steward necessitates choice. This can be illustrated from the use of time. In horticultural activity the gardener can only attend to one plant at a time. To tend it he must leave the others and this "act of choosing" is inevitable.²⁴ In the absence of unlimited means at his disposal man "must choose at any one instant in time between two or more possible alternatives."²⁵ God's purpose for man thus involves choice and this underlines the importance of not depriving man of his God-given right to choose between the available alternatives.

(5) Resources and rewards

In the light of this stewardship context it is clear that wealth is not in itself morally objectionable. As Rose states,

There is no natural dichotomy between the spiritual and physical things of the universe in the sense that spiritual things are 'good' and physical things are 'bad'.²⁶

But wealth is to be viewed not as the means of self-gratification but as an added responsibility.

The more wealth man has under his control, the greater is his stewardship responsibility for using his wealth constructively in God's service.27 There is, however, a link between the wise disposition of one's resources or the prudent use of one's time and the rewards enjoyed. Injudicious investment or sloth in work reduce one's assets but ordinarily the application of human energy to natural resources in economic activity produces wealth and Rose maintains that "God certainly intends that man should individually enjoy the fruit of his own economic production."²⁸

(6) Rewards and justice

Few would deny the rather obvious connection between work done and fruits enjoyed or resources deployed and return secured. A return to goods is denied by Marxism. Marx accepted the classical labour theory of value which maintained that a product's value resulted from the labour expended in making it. This was the basis of his theory of the exploitation of labour and his class warfare ideology. He maintained the reward to labour but not the reward to wise economic choices. This Marxist simplification does, however, focus attention upon the problem of just rewards and the distribution of economic returns between the factors of production, land, labour and capital. Much of the debate on this subject becomes entangled in arguments for socialist re-distributive policies. There is, however, another angle from which this problem can be viewed. As Rose explains,

Land and labor are the two basic productive resources from which all other material wealth is derived. Capital (tools) is a <u>derived</u> productive resource. And entrepreneurship, which some economists classify as the fourth productive resource, is only a specific <u>form</u> of labor. In summary, of the three productive resources studied in economics, only land and labor are the <u>original</u> Godcreated resources.²⁹

Attention should therefore be focused upon the question of the alienation of labour from the land. The material wealth that man needs to sustain life arises from the application of labour to natural resources.³⁰ Man's stewardship is not merely a stewardship of his time but includes a stewardship of wealth or material resources. Marxism has sought to solve the problem by a collective ownership of the income producing assets but man's stewardship to God is not primarily communal but individual. He lives in a community and that has certain ramifications for his economic activity but the individual is directly responsible to God for the way in which he spends his time and disposes of his wealth.

Rose refers to the Hebrew economy as exemplifying the necessary approach to land ownership. This involved an entrenched right for the individual "to have exclusive access to and control of a particular piece of land."³¹ Such private ownership of wealth lies at the root of political freedom. The individual did not, however, own the land absolutely but as a trustee to God. The consequence of this, as Rose explains, is that,

if man is to be self-responsible before God for the productive resources he controls, some provision must be made to preserve and guarantee his God-given right (and responsibility) of private ownership and private control. The Year of Jubilee provided this guarantee. 32

Thus what is needful is not a wider collective ownership of land, its natural resources and the material wealth that accrues from it, but a wider <u>individual</u> ownership of these things. In the case of the former, economic decisions are exercised by the socio-economic planners who constitute a fraction of a minority of the people. In the latter case each individual has to face up to the stewardship task of responsible ownership. Thus what is necessary is to create the conditions where each citizen has a <u>private</u> stake in the land and an effective say in the control of that particular resource. He is then in a position to exercise his stewardship not only with respect to his labour but in relation to his land. This state of affairs was entrenched in Israel. As Rose explains,

The Israelites were prohibited from permanently selling the title of land to others. God's goal in this limitation was to make sure that the unwise actions of a father could not cut off his children, and their children, from their pro-rata claim of the family's land. Thus, the Lord protected men from the possibility of impoverishment or or being put in a condition of slavery. Every 50 years, during the Year of Jubilee, the land was to be re-divided among the then-existing population on a family basis ...

Gustave Oehler summarizes the Hebrew idea of a theocratic property system as follows:

As the law was concerned for the continued existence of families, so, too, provision was made for the <u>preservation of the property</u> on which the subsistence of the family depended. As far as possible, the inheritance was to be preserved entire. There the <u>theocratic principle</u> in its full face came in, and its <u>application to questions of proprietorship is expressed</u> in the declaration, Lev. xxv. 23, "The land is mine; for ye are strangers and foreigners with me" - that is, God, the King of the people, is the real proprietor of the land, and He gives it to the people only as tenants. Now, inasmuch as each family forms an integral part of the theocracy, an inheritance is given to it by Jehovah for its subsistence, which forms, as it were, an hereditary feudal holding, and is therefore inalienable.³⁴

God alone the absolute sovereign claims absolute ownership of property. Human owners cannot be more than his stewards.³⁵ In this capacity they are to act after the analogy of God himself and it is such action that serves as a guarantee against exploitation and oppression. As G. North explains,

The heart of the New Testament's economic ethic reflects the basic message of the gospel of Christ. God is sovereign over all creation and liberal in His forgiveness. Men, made in God's image, are expected to act analogously; men are therefore responsible as God's stewards, since they have been delegated power over their own affairs. They are to be generous with their property, for their rights of ownership do not grant to them the ethical right to be uncharitable.³⁶

Under such conditions the Marxist class warfare is obsolete because land ownership and capital ownership are spread widely through the population and the masses are no longer landless, nor are they labourers as opposed to capitalists, but workers and proprietors. Such conditions provide the basis for the preservation of man's dignity in connection with economic enterprise. Thus in the consideration of the rewards of work, attention should not be directed mainly to wage rates and job design but to a much more fundamental approach to the returns to stewardship which links time expended and property rights.

In dealing with the Reformed response to the rewards of work, attention has been focused upon the doctrine of stewardship. The key to the problem of the rewards of work is to be found in man's nature and task. He is in the image of God and is at work as his steward. In the work situation this dignity is to be preserved. This cannot be achieved when the personal is subordinated to the With the industrial revolution man was subordinated impersonal. to the machine. With the advent of Scientific Management man was subordinated to the system. The danger with present developments in organization modification, job design and participatory management is that man is being subordinated to technical efficiency by subtler psychological manipulation. He can only be rescued from this oppression when the rewards of work are commensurate with his dignity, that is, when they are given in recognition of what he is and what he has achieved and not with a subtler purpose of re-shaping him to suit the performance targets of the firm. This is not to disagree with personal development which will benefit the firm but only to emphasize that the manner of securing that development must be in line with human dignity and that the rewards of work must not be given in a manipulative way. Is not one of the worst offences to the modern worker found in those situations where promotion cannot be taken with dignity because it is dependent, not upon good service, but upon a willingness to be subservient to the superior's every whim, honest or otherwise? This is not a reward to faithful

stewardship but a servitude. Ought we not then to beware lest the application of an irreligious psychology to business enterprise fashions a worse master?

As we have seen, this stewardship is within the production - scarcity - choice - risk - responsibility - returns complex. Economic activity cannot be disassociated from risk and responsibility for that risk because choices have to be made. Choices have to be made because of the problem of scarcity and returns cannot be disassociated from the accuracy or otherwise of the choices made. If we take the example of a farmer in an economy without agricultural subsidies, the picture comes sharply into focus. Up to one year before he will market his produce he must decide what to sow in his fields. He is faced with a choice and the level of his returns depends upon that choice. He cannot, therefore, choose without risk and his stewardship position demands that he bear the responsibility of any wrong decisions. The activities of the firm in a subsidy free economy will always entail risk. The deployment of the resources may be more or less successful in relation to the market place and the returns to production will vary accordingly. In a situation where there are entrepreneurs and employees the latter do not risk their resources but do have a priority of payment in connection with the expenditure of their time. Their stewardship role is only partial.

We have already shown that stewardship cannot be confined to a stewardship of time. Man's dignity as God's image also involves a stewardship of goods. This judicious deployment of resources involves making choices. Production cannot take place without the application of labour to natural resources using appropriate equipment. Choices must be made about the utilization of natural materials and the best use of capital equipment. This involves the risk of

being wrong and the consequent losses. The labourer who hires out his time for reward has no personal wealth at risk in the venture and should not expect a return for the stewardship of goods. The entrepreneur who undertakes the business decisions should not expect others to bear the financial responsibility for his wrong choices. If he reaps the rewards to goods he should be prepared to take the losses. This is clearly seen in the sole trader and partnership forms of business venture where the proprietors have unlimited liability for the debts of the firm. It is not seen, however, in the case of the limited liability company. In this form of business organization the shareholders' liability is limited to the amount of the share capital subscribed. The directors are in the same In this case no-one assumes the full stewardship responsibility. position. If this position is considered untenable in connection with accountants performing the audit function and for Lloyds underwriters who provide the insurance cover, why should it not be considered untenable in connection with directors who take the business decisions in connection with other types of economic activity? The economic complex is a production - scarcity - choice - risk - responsibility - returns complex and those who take the choices and reap the returns should bear the responsibility in connection with the risks attending the stewardship of goods. The sole trader or partner who holds all his personal wealth in his wife's name clearly intends to evade the responsibility for his wrong business choices should they ever result in substantial losses. Similarly the shareholders and directors of limited liability companies pursue the rewards of an enterprising use of personal wealth but do so without accepting the full responsibility of this stewardship. It is to be regretted that so many advocates of the free market and capitalistic production shrink back at this point and thereby show that they want a protected

position for their personal wealth though they want to deny to the worker a protected wage level and a protected job tenure. Thus the returns to a prudent stewardship of goods is to be maintained but so is its corollary of a full stewardship responsibility in connection with losses resulting from erroneous decisions.

The stable economic community is therefore one in which the returns to both time and goods are just. It has already been indicated that the crux of the matter gets overlooked here. Attention focuses upon minimum wages, wage bargaining and re-distributive policies without first looking at the more fundamental aspects. These are the "landmark" and "the hire". The former underscores property rights and equitable distribution of property³⁷ and the latter wage entitlement and a just wage.³⁸ It is when the former is attended to that the prospect of a reduction in unrealistic wage demands comes into view. When there is a wider share in the returns to goods the reward to labour ceases to be the only source of income. Some rather bold suggestions in this connection have been made by Samuel Brittan in an article entitled "Back to Full Employment: The Economic Aspect". It is worth quoting his main thesis in his own words.

If we are to move towards market-clearing wages and a return to full employment, these will need to be accompanied by far more radical policies than say the Low Pay Unit and other bodies, which argue for legal minimum wages and who support union monopoly, have ever conceived. ...

There are several pointers to a low actual market-clearing price for labour. The unemployment figures themselves suggest a substantial excess of labour relative to other factors at current factor price ratios. The rise in real interest rates suggests a shortage of capital adapted to current technology and demand. If popular fears about the micro-chip mean anything, it is that the newest technologies may be labour-saving and capital-using, which again could lower the equilibrium real wage for some time to come.

These are all speculative possibilities. But they still need not mean lasting unemployment. To price workers back

into jobs we may well need, however, a fall in real wages relative to previous expectations and perhaps a rise in the share of the national income accruing to owners of capital.

This need not be as terrible a prospect as it seems. A shift in market rewards away from labour towards capital is a disaster only if capital is highly concentrated, and if many workers have very little except a stake in their own houses. If, however, income-earning assets were to be so widely distributed that every family derived a substantial annual amount from them, market-clearing wages would become once more a political possibility; and the pressure for measures, such as 'job-sharing', to reduce the supply of labour would be somewhat less.³⁹

Brittan has some very practical suggestions as to how this might be accomplished. He identifies the following:

- (1) The distribution on a pro-rata basis to U.K. citizens of the state'sshare of North Sea oil revenues, the rights being transferable from one citizen to another.
- (2) The distribution on a pro-rata basis to U.K. citizens of the stock of nationalized industries which are being privatized.
- (3) A greater use of profit sharing giving a significant proportion of profit to the workers in return for an acceptance of market-clearing wages.
- (4) A wider extension of worker's ownership along the lines of The John Lewis Partnership or Baxi Heaters.
- (5) Capital handouts of widespread unit trusts as a function of rate-of-return where workers are prepared to accept market-clearing wages.⁴⁰

To these suggestions others can be added including a close look at pension rights and insurance products with a view to making these more usable. At present the main facility exists by way of raising a loan against endowment policy surrender values but the marketing of financial services may yet produce more imaginative ideas. Certainly the contemporary economic conditions are far more favourable to workers being investors and entrepreneurs than in the days of the Rochdale pioneers to whom the "Co-op" looks as its founding fathers. With a growth in private holdings of wealth the door would open to a far reaching land reform to protect individual citizens' property stakes in perpetuity.

What is being recommended at this point is something much more far reaching than the profit sharing schemes suggested by the Chancellor's budget speech in March 1986. His speech showed a recognition of the relationship between pay and productivity and the rigidity of the pay system, but failed to grasp the real nettle of the relationship between the landmark, and the hire. If there is to be a genuine move to a property-owning democracy something far beyond such schemes as link a significant portion of the worker's remuneration to profitability will be needed. Such schemes will shift more risk to the employees in connection with their hire, making their remuneration more volatile and this will lessen not increase their financial security. These schemes will make a minimal contribution to the real need which is to protect workers from falling real wages. This can, however, be achieved if the worker has significant income producing assets to look to in order to supplement his earned income. But the tax incentives proposed to stimulate a "share-owning democracy" will not produce the levels of capital accumulation necessary for this and this will be especially so among the more vunerable of the working population. All of the various refinements of these schemes suffer from the same difficulty. They do not relate the landmark and the hire in a way whereby the unearned income is sufficiently large to provide financial security. They are welcome insofar as they go but would be more so if part of a package which disperses the presently concentrated wealth holdings

in the public sector so that individual ownership of income-producing assets is sufficiently significant to have an effect upon people's attitude to the hire.⁴¹ It is not being suggested that Brittan's approach is the only way ahead. It is, however, being argued that something more thoroughgoing than present policies is necessary if the landmark and the hire are to be related in a way which will foster long-term economic prosperity.

Once the property base is rectified the "hire" problem is significantly eased. Wages can be more responsive to market conditions without hardship. Drucker well states the problem of wage as cost and wage as income. He says,

To the enterprise, wage - that is, the financial reward of labour - must necessarily be a cost. To the recipient, however - to the employee - wage is income, the source of his livelihood and that of his family ... There is thus a basic divergence. The enterprise needs flexibility of the wage burden. The individual values, above all, a steady, stable and predictable income based upon a man's willingness to work rather than upon economic conditions.⁴²

Although from a social point of view stability of employment and income is necessary, the producer requires some flexibility so that direct labour costs can respond to changes of output. Workers owning income producing assets will be more aware of this problem and will be economically equipped to be more flexible and to face change without reliance upon state subsidy. The individual is thus better placed to responsibly order his own affairs in a provident manner. This responible economic independency with private ownership of income producing assets stands within the Christian tradition. The Marxist alternative of the abolition of private property reduces everyone to economic dependence upon the totalitarian state.⁴³ The latter is not compatible with man's dignity as the image of God nor is it compatible with his individual responsibility for his stewardship role. We must not, however, become preoccupied with the material returns to prudent management of resources and time expended in economic enterprise so as to lose sight of the spiritual side. Man's dignity as a worker is preserved only when work yields spiritual as well as material rewards. A correct balance between both is to be maintained and a return in material goods is not to be substituted for personal development. A great blight of modern society has been the secularization of work. Man has placed his trust within the creation. Marxists, liberals, conservatives and others have pinned all on man himself. As Edward Vanderkloet explains,

Progress, consisting of reason, technique and economic growth, is the new god of our age, the god in whom man puts his unquestioned faith. $^{44}\,$

Growth has become the ideal and Gross National Product the measure of prosperity. Goudzwaard sounds a note of warning as to the effects when rapid economic expansion is the "uncurtailed priority". The emphasis in work is on division of labour, mechanization and technical innovation. He concludes,

It should also be clear from our discussion that certain unavoidable dangers are inherent in every culture which isolates and absolutizes the potentials for economic and technical development. Such a culture seems at first to raise man to the position of sovereign master of his own fate - one who calls forth these economic and technical processes and determines their direction. But in the final analysis such a culture quickly relegates this "master" to the position of utter dependence on the powers of development which he himself has enthroned. He ends by being an object, an extension of his own creations.⁴⁵

Goudzwaard identifies five consequences of growth model economies which violate real stewardship. These are as follows:

(1) There is no recognition of <u>preservation restraints</u>. Nature and human life are used in the most productive way with little or no attention being given to pollution of the environment and the worker's physical and mental health.

- (2) There is only a partial payment of <u>costs of compensation</u>.
 "Some components of the disposition stock are not replenished ..."
- (3) There is an increasing <u>scarcity of space and time</u>. Sky-scraper living accommodation becomes necessary in high production locations. "A <u>time</u>-scarcity is created since not only production, but also consumption, requires increasing amounts of time: time to buy, time to maintain, and time to dispose of consumption goods. As material wealth increases, more and more time is consumed in relation with 'things', and less time is available for inter-personal relations. In Martin Buber's terms, the dominance of the I-it relation endangers the I-You relation in society."
- (4) There is a loss of many <u>"amenities" of life</u>. Urbanization, for example, closes off from regular contact with nature.
- (5) There is an emergence of <u>system scarcity</u> and <u>system abundance</u>. The production-centred economic system must create human wants to compensate for the relative scarcity of wants in relation to the output necessary to sustain growth. This is done by persuasive advertising. It results in a waste of badly needed resources. Capital intensive methods of production create on the other hand <u>system abundance</u> in connection with labour and wasteful redundancy results. The economist has devalued efficiency into "an instrumental principle within a production-obsessed system" and in so doing has ignored the more important concept of stewardship which points "to the need to preserve the serviceability of human culture."⁴⁶

In contrast the Reformed position emphasizes stewardship in connection with work. This is something deeply embedded in

human nature. As Calvin Seerveld explains,

Work is not something optional to men; it is built-in to human nature, an ordinance of God laid upon every man - no one can escape it. God made man originally as a worker, a creature to work the earth (Gen. 2:5), to cultivate and preserve it (Gen. 2:15), i.e. to act upon the world, to do things in the earth, sea and heavens not just in general but to show up his lordly creaturehood, to reveal how glorious God's handiwork is, how rich and good a creaton God made for historical development. Without any work a man deteriorates. Whether it be forced old-age retirement, prolonged unemployment or spiteful idleness, no work seems to break a man into doddering pieces, no self left to respect. This is because work is peculiarly inherent to being a human creature. 47

It is not surprising therefore that many workers do seek more from their work than material benefits. This factor is borne out by empirical research. Beatty refers to the importance of the work being seen as <u>meaningful</u>, the worker feeling <u>responsible</u> for it and receiving <u>feedback</u> on performance.⁴⁸ Contemporary industrial psychologists see this as arising out of human nature itself. Redesigning jobs to build commitment and involvement requires assumptions about the nature of man. The sort of assumptions made can be illustrated from McGregor's "Theory Y".

- 1. Work is as natural as play or rest.
- People will exercise self-direction and selfcontrol in the service of objectives to which they are committed.
- 3. Commitment to objectives is a function of the rewards associated with their achievement.
- Under proper conditions, average people learn not only to accept, but also to seek responsibility.
- 5. Creativity, imagination, and ingenuity are widely distributed among the population.
- The intellectual potential of the average human being is being utilized only partially in modern industry.⁴⁹

Such assumptions do not go far enough but they do bear witness to the need to consider human nature and its potentials in connection with a person's working life. The employer cannot be content merely to buy the worker's time and to regard his responsibility as discharged by the payment of remuneration if he has given no thought to the nature of the work to be performed in relation to the life of the worker. Work is to have a significance in terms of rewards beyond the merely material. It is no solution to point to leisure time as the time for personal development and a spiritual and cultural life. This approach has certainly been suggested.

We must conjure up the prospect of a society in which labor will be of restricted duration, industrial operations automatized, and piecework, requiring no attention, made pleasant by music and lectures ... a society, in short, in which culture will be identified completely with leisure. In a leisure more and more full of potentialities, and more and more active, will be found the justification of the humanistic experiment.⁵⁰

Nothing could be further from man's true dignity in connection with economic enterprise than the reduce work to such a level of insignificance. There is an urgent need to re-evaluate work and to recognise not only that spiritual returns are a factor but also that they are a primary factor. Attention was drawn to this by the Methodist Conference over fifty years ago as the following statement shows:

Man is primarily a spiritual being, made in the image of God, and his economic and political life should be subservient to the higher spiritual ends of his nature. Man's true nature cannot be fully realised in the pursuit of economic needs or political purposes alone. These are rather means to the fulfilment of the Divine purpose in creating man a spiritual being, destined for a life in a society wherein God is all in all.⁵¹ 129

Chapter 7 CONCLUSION

This work has been concerned with an alternative socioeconomic system to those arising from contemporary ideologies. It was recognized in Chapter 1 that there is a need to change structures as well as people. Not only do workers affect structures but structures also influence workers. An attempt has consequently been made to map out a Reformed economic model which is compatible with the dignity of man and which will have operational value.¹ This summary will enable the model to be seen as a whole and will indicate avenues for further research. Although work is not to be related exclusively to human satisfaction it will be useful to draw conclusions together around the conventional production model illulstrated in Diagram 7.

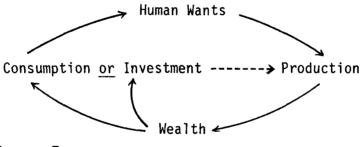


Diagram 7

This model suggests that the motivation for work is the production of wealth by the most efficient means in ever increasing quantities in order to satisfy human wants for goods and services. It thus places a premium on self-interest, technical efficiency, growth and competition between the various interest groups to obtain the maximum share of the available output. It fits well with "Homo oeconomicus" but not with man made in the image of God as the following conclusions of this research show.

1. The Worker and his Work

The Reformed doctrines of man as being in the image of God and work as being a vocation from God emphasize the dignity of man as a worker. It has been argued in Chapter 2 that in work man is to be treated (a) according to his distinct identity as selfconscious, rational, free, moral and religious; and (b) consistently with his calling which provides a higher goal than material satisfaction and higher motivations than such as can be furnished by temporal considerations. This suggests a new approach to work and workers in sharp contrast to those which by pre-occupation with technical efficiency, foster de-personalization, alienation and powerlessness. What is necessary is a new body of research which views the worker as a whole man and brings into consideration all of the following factors: his personal existence, his constitution as a thinking planner, his being a responsible agent, the importance of personal development, the need for him to exercise self-discipline involving both dependability and initiative, the relating of work to the worker's role in society and the religious dimension. Far from being too idealistic this presents the only route to an approach to work which comports with the dignity of man.

2. The Organization of Work

When we turn to the subject of the creation of wealth, the dignity of man remains relevant. Whilst not opposed to profit, efficiency and economic growth in themselves, it has been maintained that man's dignity in work is not to be subordinated to these. In Chapters 3, 4 and 5 the case has been argued for a responsible production in which work, the firm and the economy are organized in a way which is consistent with the dignity of man. The role of profit as a measurement of economic success and as an incentive to economic activity has been recognized but it has been argued that while the former is indispensable the latter is never to be absolutized as there are higher considerations in connection with the organization of production.

2.1 Man and Things

In Chapter 3 it was seen that the Reformed doctrine of man's dominion calls for a halt in the trend which levels man with raw materials, tools and machines as part of the technical process. The case has been argued for a re-evaluation of the role of the worker as being more than a mere executive instrument of technical processes. The first task is to bring God back into places of work and to see man as under God and over nature as its interpreter and ruler dedicating all to Him. This superiority of man over things and procedures must become the formative influence governing relationships between people and things in order to produce a radical shift in emphasis and so restore some dignity in work. A new style of investigation is required which will approach work from the standpoint of its being man's vocation where his talents can be released in a way which brings glory to God and which recognizes both human and ecological criteria.

2.2 "Human Relations"

In Chapter 4 it was maintained that the Reformed doctrine of the covenant points away from confrontation and alienation in industrial relations to developing human relationships which have real significance and promote mutual respect and confidence. The basis of all human relationships is the covenantal life of the Triune God. This is both righteous and loving. From the redemptive covenant of God we learn the essence of all relationships between men whether they are formalized by a covenant disposition or not. Righteousness, love, loyalty and truth are all relevant and characteristic of right relationships. How then can the cold, contractual and impersonal be reorganized so as to be consistent with loving, righteous, honest, faithful and loyal relationships? Only when attention is taken off "rights" and is focused on "responsibilities". The covenant relationship points in the direction of responsible ownership, responsible management and responsible workers. Suggestions have been made as to what is entailed in connection with responsible investment, management and employer-employee relationships. There is a large area here for further investigation in order to define policies that would be consistent with righteous and loving human relations.

2.3 Economic System

In Chapter 5 the Reformed doctrine of the sovereignty of God was brought to bear upon the subject of politico-economic structure. Whereas laissez faire absolutizes the sovereignty of the individual and collectivism absolutizes the sovereignty of the community, the Reformed model achieves a real balance between the interests of the one and the many by giving due regard to the supreme sovereignty of God. In this it excels a humanistic mixed economy which, like laissez faire and socialism, fosters an oppressive bureaucracy in consequence of having no solution to the problem of sovereignty. The corollary of divine sovereignty is a divine order where each social unit operates according to God's ordinances. The task ahead is the definition of proper boundaries of legitimate sovereignty so that full justice can be done to the principles of individuality and rational planning within a context where temporal authority is recognized as delegated by God. In this way no temporal institution absorbs the individual

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or dominates society and the dignity of man is maintained. The free market is thus set in a politico-economic context where its advantages can be enjoyed without life being dominated by impersonal forces. Fate and bureaucracy are replaced by the genuine sovereignty.

3. The Rewards of Work

No serious investigator of economic models can overlook the problem of the distribution of the fruits of production. Not only must there be a responsible production, there must also be a responsible utilization. Our focus on the dignity of man has not allowed for an exploration of every relevant avenue in this connection but in Chapter 6 the Reformed doctrine of stewardship was brought to bear on the rewards of work. The concept of entrustedness emphasizes that rewards are related to the responsible use of the time and resources at one's disposal and injudicious investment or sloth result in losses. New light is shed upon the debate about the just return to factors of production when we turn our attention to the alienation of labour from natural resources. It is the individual ownership of income producing resources that spreads stewardship responsibility throughout the population instead of confining control to a tiny group of planners. When such assets are used by their proprietors as stewards acting after the analogy of God himself, exploitation and oppression are ruled out. The masses are no longer landless and the labour versus capitalist conflict is replaced by conditions where all are workers and proprietors. Stable economic communities need justice in relation to the returns to time and goods. The fundamental planks of such are "the landmark" and "the hire". The former relates to property rights and an equitable distribution of property and the latter

to wage entitlement and a just remuneration. A more equitable distribution of private property opens the way to a reduction in unrealistic wage demands because the reward to labour time ceases to be the only source of income. Starting from such a context further investigation can pursue the implications of the production - scarcity - stewardship - choice - risk - responsibility - rewards complex. Several such implications were identified in Chapter 6.

4. Concluding remarks

Undergirding this work has been the relevance of doctrine to practice, not merely in the congregation but in the factory, board room and market place. The comment of John Murray is apposite with respect to how thoroughgoing changes in practice need to be:

There is, therefore, something drastic about the transformation that Christian order effects. This is why we are so reluctant to entertain a Christian programme of procedure in some of the most practical spheres, such as those of education and industry. We are so often content to have a few amendments and corrections that give a Christian veneer to certain institutions. Without question these corrections may have, to a certain extent, a salutary influence, but these amendments do not change the basically non-Christian character of the principles and methods by which these institutions or orders operate. The Christian principle as applied to every order is radical and revolutionary in the true sense of these words, radical and revolutionary because it is organically regenerative. It deals not by half-measures nor by indirection, but by honest, thoroughgoing effectiveness, with the reality of human sin and with the all-pervasive corruption it has brought in its train.²

The Reformed doctrines of man made in the image of God, work as a divine vocation, the dominion of man, covenantal relationships, the sovereignty of God, and stewardship constitute a call back from impersonalized work and work places to lift man as worker from a painful servitude and wasted life. Though the structural changes indicated fail to be implemented in the foreseeable future for one reason or another, these doctrines can still provide a basis for personal objectives which transcend the goals of humanistic materialism and which promise industrial regeneration without revolution. The application of these doctrines to business enterprise cannot be ignored by any of those who subscribe to the motto of the Reformed:

"Semper Reformanda"

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- 4. John Murray, <u>Collected Writings of John Murray</u>, vol.I. The Claims of Truth, pp.357-358.
- 5. James M. Gustafson, Theology and Ethics, pp.163-164.
- 6. John Murray, <u>Collected Writings of John Murray, vol.II.</u> <u>Select Lectures in Systematic Theology</u>, p.39.
- 7. Francis N. Lee, <u>A Christian Introduction to the History</u> of Philosophy, p.224.
- 8. Gordon H. Clark, <u>A Christian View of Men and Things:</u> <u>An Introduction to Philosophy</u>, contains chapters on History, Politics, Ethics, Science, Religion and Epistemology.
- 9. Francis N. Lee, op.cit. p.235.
- 10. John Murray, Principles of Conduct, pp.82-106.

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- 1. Paul A. Samuelson, "Adam the Immortal" in Hiroaki Nagatani and Kate Crowley, eds., <u>The Collected Scientific Papers of</u> <u>Paul A. Samuelson</u>, vol.IV., p.862.
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- 3. <u>Ibid</u>. p.2.
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- 5. Bertrand Russell, <u>History of Western Philosohy and its</u> <u>Connection with Political and Social Circumstances from</u> <u>the Earliest Times to the Present Day</u>, p.564.
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- 9. <u>Ibid</u>. p.3.
- 10. Ibid. p.24. (cf. Jacob Viner, op.cit. p.55).
- 11. Ibid. p.400.
- 12. <u>Ibid</u>. p.5.
- 13. Ibid.
- 14. Ibid. p.6.
- 15. <u>Ibid</u>. p.7.
- 16. Ibid. p.20.
- 17. Jacob Viner, op.cit. p.57.
- Wayne F. Cascio, <u>Applied Psychology in Personnel Management</u>, pp.346-347.
- 19. Adam Smith, <u>An Inquiry into the Nature and Causes of the</u> Wealth of Nations, vol.1, pp.17-18.
- 20. Ibid. p.15.
- 21. Ibid. p.782.
- 22. P.D. Anthony, The Ideology of Work, p.55.
- 23. Ibid. p.52.
- 24. <u>Ibid</u>. p.67.

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25. <u>Ibid</u>.

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- 26. E.L. Hebden Taylor, <u>Reformation or Revolution</u>, p.146.
- 27. P.D. Anthony, op.cit. p.39.
- 28. Ibid. p.113.
- 29. Ibid.
- 30. <u>Ibid</u>. p.114.
- 31. <u>Ibid</u>.
- Geoffrey Pilling, <u>Marx's 'Capital' Philosophy and Political</u> Economy, p.15.
- Karl Marx, <u>Capital: A Critical Analysis of Capitalist Production</u>, p.427.
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- 35. P.D. Anthony, op.cit. p.129.
- 36. Quoted ibid. p.130.
- 37. Ibid.
- 38. Ibid. p.133.
- 39. Geoffrey Pilling, op.cit. p.85.
- 40. Jacques Ellul, The Technological Society, pp.221-222.
- 41. Ibid. p.218.
- 42. Ibid. p.219.
- 43. E.L.H. Taylor, <u>op.cit</u>. p.127. The efforts of industrial psychology to mitigate these trends are considered in Chapter 4.
- 44. Ibid.
- 45. The Shorter Catechism, Question one, p.1.
- 46. John Murray, <u>Collected Writings</u>, vol.II, <u>Select Lectures in</u> Systematic Theology, pp.3-89.
- 47. Ibid. p.37.
- 48. Ibid. p.38.
- 49. Psalm 8. verses 7-8.
- 50. See Chapter 3 for a fuller discussion of the doctrine of dominion.

- 51. John Murray, Principles of Conduct, p.37.
- 52. Proverbs 6. verse 6.
- 53. 2 Thessalonians 3. verse 10.
- 54. Donnis Walters, "The Reformation and the Transformation of Western Culture: A Brief Introduction". <u>The Journal of</u> Christian Reconstruction, pp.109-114.
- 55. John Murray, op.cit. p.86.
- 56. Vocation also has important implications which are beyond the scope of this chapter in connection with economic structure. If opportunity is to exist for the exercise of diverse gifts it is important to remove structural hindrances. These matters will be taken up in Chapter 5 where the economic environment is considered.
- 57. E.L.H. Taylor, op.cit. p.119.
- 58. See evaluation by Miroslav Volf, "On Human Work: An Evaluation of the Key Ideas of the Encyclical <u>Laborem Exercens</u>". <u>Scottish</u> Journal of Theology, pp.67-68.
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- 72. John Goodman, Employment Relations in Industrial Society, p.2.
- 73. John Murray, <u>op.cit</u>. p.35-36.

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- 2. Ibid. p. 392.
- 3. John Lindauer, Economics: A Modern View, p.7.
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- 7. Ibid. p.79.
- 8. <u>Ibid</u>.
- 9. <u>Ibid</u>. p.80.
- 10. <u>Ibid</u>. p.85f.
- 11. <u>Ibid</u>. p.94f.
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- 13. <u>Ibid</u>. p.138.
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- 17. Rousas J. Rushdoony, <u>Thy Kingdom Come: Studies in Daniel</u> and Revelation, p.192.
- Ronald H. Preston, <u>Religion and the Persistence of Capitalism</u>, p.51.
- 19. Lynn White, Jr. "The Historical Roots of our Ecologic Crisis". Science.
- 20. <u>Ibid</u>.
- 21. Arthur R. Peacocke, <u>Creation and the World of Science:</u> The Bampton Lectures, 1978, p.277.
- 22. <u>Ibid</u>.
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- 24. Ibid. p.283.

- 25. Francis A. Schaeffer, <u>Pollution and the death of Man:</u> <u>The Christian View of Ecology</u>, p.10.
- 26. <u>Ibid</u>. p.44.
- 27. <u>Ibid</u>. p.53.
- 28. <u>Ibid</u>.
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- 4. Leon de Rosen, "The World of Business and the Church". The Ecumenical Review, p.49.
- 5. George Goyder, <u>The Responsible Company</u>, pp.57, 72, quoted in E.L.H. Taylor, <u>Reformation or Revolution</u>, p.466.
- Peter F. Drucker, People and Peformance: The Best of 6. Peter Drucker on Management, p.244. Multinational corporations have been subjected to considerable criticism in connection with their operations in underdeveloped countries because of alleged worker exploitation. Countries such as Hong Kong, Singapore, Taiwan and South Korea pioneered a type of industrialization based upon cheap and non-militant labour. Some impression of the problem can be gauged in connection with hours of work. "In South Korea, 60 hours a week is normal in the export industries and in some cases the working week consists of seven twelve hour days. In Hong Kong more than half the labour force work 10 hours or more a day and more than half work 7 days a week. In Singapore working days of ten to twelve hours are common." A.G. Frank, <u>Superexploitation</u> in the Third World, Development Studies Reprint, No.64. 1978. pp.19-20. Quoted by Rhys Jenkins, "Dependent Industrialization in the Third World" in Stephen Maxwell, ed., Scotland, Multinationals and the Third World, p.118.
- Bowen H. McCoy, "A Test-case in Communication". <u>Theology Today</u>, p.44.
- 8. Peter F. Drucker, op.cit. p.244.
- 9. Rousas J. Rushdoony, "Christian Perspectives: 4. Our Business World". Journal of Christian Reconstruction, p.67.
- 10. Jacques Ellul, The Technological Society, p.350.
- 11. Milton L. Blum and James C. Naylor, <u>Industrial Psychology</u>: Its Theoretical and Social Foundations, p.391.
- 12. <u>Ibid</u>. p. 395.
- 13. Ibid. p.403.
- 14. Ibid. p.403-404.
- 15. Ibid. p. 404-406.

- 16. Ibid. p.406-407.
- 17. Jacques Ellul, op.cit. p.353.
- Enid Mumford, "Participation from Aristotle to Today", in Th.M.A. Bemelmans, ed., <u>Beyond Productivity: Information</u> Systems Development for Organizational Effectiveness, p.97.
- 19. <u>Ibid</u>.
- 20. <u>Ibid</u>. p.98.
- 21. <u>Ibid</u>. p.102.
- 22. John Goodman, Employment Relations in Industrial Society, p.17.
- 23. John Murray, <u>Collected Writings of John Murray</u>, <u>vol.IV</u>, Studies in Theology, p.216.
- 24. Louis Berkof, Systematic Theology, p.263.
- 25. Ibid. p.74.
- 26. Titus 1. verse 2.
- 27. Frederick S. Leahy, <u>The Theological Basis for Covenanting</u>, p.7. Vriezen also connects righteousness, law, truth and love. He refers to Hosea's mention of the new covenant of love where righteousness and law are the primary foundation-stones. He sees the traits of holiness and morality connected with righteousness as particularly evident in the idea of God's trustworthiness. Th.C. Vriezen, <u>An Outline of Old Testament</u> Theology, p.160.
- 28. Johannes G. Vos, The Covenant of Grace, p.2.
- 29. Geerhardus Vos, <u>Biblical Theology</u>, Old and <u>New Testaments</u>, pp.33-34.
- 30. Hosea 2. verse 21 (Hebrew), verse 19 (English).
- 31. Isaiah 54. verse 5.
- 32. Frederick S. Leahy, <u>op.cit</u>. p.9.
- 33. Hosea 1.2.
- 34. Louis Berkof, op.cit. p.264.
- 35. R.J. George, <u>Lectures in Pastoral Theology: Series 1</u>, <u>The Covenanter Pastor</u>, p.163, quoted in Johannes G. Vos, op.cit. p.14.
- 36. Johannes G. Vos, <u>The Scottish Covenanters: Their Origins</u>, History and Distinctive Doctrines, p.205.
- 37. Gary North, "The Economic Thought of Luther and Calvin". The Journal of Christian Reconstruction, pp.98-99, 102-103.

- 38. Ibid. p.107-108.
- 39. Ibid. p.103.
- 40. John Murray, Principles of Conduct, p.93.
- 41. James 5.1-6.
- 42. John Murray, op.cit. p.127.
- 43. <u>Ibid</u>. p.127.
- 44. <u>Ibid</u>. p.176-177.
- 45. Cornelius Van Til, <u>In Defence of the Faith, vol.III,</u> <u>Christian Theistic Ethics</u>, p.64.
- 46. See P. Borst whose views are summarized by E.L.H. Taylor, <u>Reformation or Revolution</u>, pp.458-459.
- 47. Peter F. Drucker, The Practice of Management, p.273.
- Sir George Schuster, <u>Christianity and Human Relations in Industry</u>, p.93.
- 49. See for example the case of Operation Turnaround at Pittron which was motivated by a Christian world view. Details are given by Paul Doepke in "Christianity and Business: A Review Article". Journal of Christian Reconstruction, vol.X, no.2, 1984, pp.91-97. Cf. Thomas H. Melohn, "How to build employee trust and productivity". <u>Harvard Business Review</u>, Jan-Feb., 1983, pp.56-61.
- 50. Peter F. Drucker, op.cit. p.133.
- 51. See E.L.H. Taylor, op.cit. p.462.
- 52. Patricia Clayton, Law for the Small Business, p.125.
- 53. John Murray, op.cit. p.88.
- 54. Ibid. p.105.
- 55. Peter F. Drucker, People and Performance, p.240.
- 56. Cornelius Van Til, op.cit. p.64.
- 57. Pius XII (7 May 1949) quoted by E.L.H. Taylor, op.cit. p.244.
- 58. George T. Brake, <u>Policy and Politics in British Methodism</u> <u>1932-1982</u>, p.499.
- 59. William B. Werther, Jr., "'Job 1' at Ford: Employee Co-operation". Employee Relations, p.15.
- 60. John Bailey, "The Benefits of Co-operation". <u>Industrial Society</u>, pp.22-23.

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61. <u>Ibid</u>.

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62. John XXIII, <u>Mater et Magister</u> quoted in E.L.H. Taylor, <u>op.cit</u>. p.268.

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- 63. Philip Scranton, <u>Proprietary Capitalism: The Textile</u> <u>Manufacture at Philadelphia 1800-1885</u>, pp.418-419.
- 64. Enid Mumford, op.cit. p.103.

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Footnotes to Chapter 5

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1.	Tom Rose, "Economics: From a Christian Perspective?" The Journal of Christian Reconstruction, pp.22-23.
.2.	Rousas J. Rushdoony, <u>Thy Kingdom Come: Studies in Daniel and</u> <u>Revelation</u> , p.192.
3.	Peter Worsley, <u>Marx and Marxism</u> , p.43.
4.	Ronald H. Preston, <u>Religion and the Persistence of Capitalism</u> , p.28.
5.	<u>Ibid</u> . p.29.
6.	P.D. Anthony, The Ideology of Work, p.71.
7.	J. Philip Wogaman, Christians and the Great Economic Debate, p.96.
8.	Bob Goudzwaard, Types of Government Economic Policy, pp.12-14.
9.	<u>Ibid</u> . p.14.
10.	Ibid.
11.	Lesslie Newbigin, "The Welfare State; A Christian Perspective". <u>Theology</u> , p.174. For a positive evaluation of the Welfare State and a summary of its achievements and shortcomings see <u>Not Just for the Poor:</u> <u>Christian Perspectives on the Welfare State</u> especially Chapter 4, pp.49-78.
12.	Max Weber, Selections in Translation, ed. W.G. Runciman, p.334.
13.	<u>Ibid</u> . p.335.
14.	Gary North, "Economics" in Gary North, ed., <u>Foundations of</u> <u>Christian Scholarship: Essays in the Van Til Perspective</u> , p.148.
15.	Max Weber, <u>Max Weber on Capitalism, Bureaucracy and Religion:</u> <u>A selection of texts</u> , ed. Stanislav Andreski, p.135.
16.	<pre>Gianfranco Poggi, <u>Calvinism and the Capitalist Spirit:</u> <u>Max Weber's 'Protestant Ethic'</u>, pp.69-70. Cf. however Nicholas Wolterstorff, <u>Until Justice and Peace Embrace</u>, p.14, where he says, "At this very point Max Weber makes a fundamental mistake in his famous discussion of Calvinism in <u>The Protestant Ethic</u> <u>and the Spirit of Capitalism</u> when he argues that the peculiar activism of the Calvinist was energized by the desire to</pre>

establish that one is among the elect. Certainly that is

a caricature. The Calvinists' action was energized by their gratitude to God for his blessings, blessings that included the blessing of election, with its promise of eternal life."

17. Gary North, op.cit. p.136.

- Bob Goudzwaard, <u>Capitalism and Progress: A Diagnosis of</u> Western Society, p.8.
- 19. Gary North, op.cit. p.148.
- 20. Ibid. p.154.
- 21. Ibid. p.155.
- 22. <u>Ibid</u>. p.156.
- 23. Quoted <u>ibid</u>. p.135.
- 24. Ibid. p.136.
- 25. Quoted ibid.
- 26. Quoted ibid. pp.138-139.
- 27. E.L.H. Taylor, Reformation or Revolution, p.617.
- 28. <u>Ibid</u>.
- 29. <u>Ibid</u>. p.616.
- 30. <u>Ibid</u>.
- 31. Ibid. p.613.
- 32. <u>Ibid</u>. p.24.
- 33. <u>Ibid</u>. p.432.
- 34. Ibid. p.477.
- 35. Nicholas Wolterstorff, Until Justice and Peace Embrace, p.55.
- 36. Ibid. p.54.
- 37. Ibid. p.56.
- 38. Dooyeweerd quoted by Wolterstorff, ibid.
- 39. Wolterstorff, ibid.
- 40. <u>Ibid</u>. p.57.
- 41. <u>Ibid</u>. p.58.
- 42. <u>Ibid</u>.
- 43. <u>Ibid</u>. p.59.
- 44. Ibid.
- 45. E.L.H. Taylor, op.cit. pp.452-453.
- 46. J.M. Spier, <u>An Introduction to Christian Philosophy</u>, p.41.

- 47. <u>Ibid</u>. p.91.
- 48. E.L.H. Taylor, <u>op.cit</u>. p.626.
- 49. <u>Ibid</u>. p. 432.
- 50. <u>Ibid</u>. p.441.
- 51. Ibid. p.442.
- 52. Edward Coleson, "The Coming of Christian Capitalism". The Journal of Christian Reconstruction, p.119.
- 53. Rousas J. Rushdoony, "The Philosophy of the Free Market". The Journal of Christian Reconstruction, p.35.
- 54. George T. Brake, <u>Policy and Politics in British Methodism</u> 1932-1982, p.495.
- 55. Gary North, op.cit. p.156.
- 56. R.H. Preston, op.cit. p.75.
- 57. Ibid.
- 58. Gary North, op.cit. p.156.
- 59. "The criticism which dismisses the concern of Churches with economic relations and social organization as a modern innovation finds little support in past history. What requires explanation is not the view that these matters are part of the province of religion, but the view that they are not." R.H. Tawney, Religion and the Rise of Capitalism. An Historical Study, p.278.

Footnotes to Chapter 6

- Betty M. Jacob, Philip E. Jacob, Arthur M. Whitehill, George W. England, Richard C. Pratt, Chung-Si Ahn and Alex Farkash, "Automation and the American Automobile Worker Routes to Humanised Productivity", in Jan Forslin, Adam Sarapata and Arthur M. Whitehill, eds., <u>Automation and</u> Industrial Workers: A Fifteen Nation Study, vol.1, part 1, p.88.
- 2. Ibid. p.90.
- 3. Ibid. p.88.
- 4. <u>Ibid. p.89. According to James F. Bolt ("Job security: its time has come". Harvard Business Review</u>, November-December, 1983, pp.115-123), "Job security has already replaced wage and benefit demands as the number one bargaining issue for labor unions." He cites the case of the United Automobile Workers contracts with Ford, GM, and Chrysler about which he says, "Workers gave up much in the way of benefits, pay increases, and work-rule preferences in return for guarantees of job security." p.116.
- 5. Betty M. Jacob, op.cit. p.89.
- Wayne F. Cascio, <u>Applied Psychology in Personnel Management</u>, p.367.
- 7. Ibid. p.349.
- 8. Richard W. Beatty and Craig E. Schneier, <u>Personnel Administration:</u> An experiential skill-building approach, pp.437-438.
- 9. <u>Ibid</u>. p.411.
- 10. <u>Ibid</u>. p.439.
- 11. "Why get involved?" Labour Research, pp.280-281.
- 12. Wayne F. Cascio, op.cit. p.350.
- 13. Ibid. p.367.
- 14. Bob Goudzwaard, <u>Capitalism and Progress: A Diagnosis of</u> Western Society, pp.73-74.
- 15. <u>Ibid</u>. p.77.
- 16. <u>Ibid</u>.
- 17. Ibid. pp.74-76.
- Tom Rose, "Economics: From a Christian Perspective?" The Journal of Christian Reconstruction, pp.10-27.
- 19. Ibid. p.16.

- 20. <u>Ibid</u>. p.19.
- 21. <u>Ibid</u>. p.17.
- 22. Bob Goudzwaard, Toward Reformation in Economics, pp.14-15.
- 23. <u>Ibid</u>. p.15.
- 24. Tom Rose, op.cit. p.18.
- 25. Ibid. p.19.
- 26. Ibid. p.18.
- 27. <u>Ibid</u>. p.19.
- 28. <u>Ibid.</u> p.22. R.D. Love affirms that, "All through our Christian philosophy and our Bible, which are inseparable, man under divine or natural laws owns his own labor. This ownership is hinged simply on the fact that man has a God given right to life, and the right to life is meaningless unless there is a right to sustain and protect that life. If a man is denied the right to keep what he earns and to retain the fruits of his labor, he loses control of the only means whereby he can sustain life." Robert D. Love, "Christian Economics". <u>The</u> Journal of Christian Reconstruction, pp.84-85.
- 29. Tom Rose, op.cit. p.20.
- 30. <u>Ibid</u>.
- 31. <u>Ibid</u>.
- 32. <u>Ibid</u>. p.21.
- 33. <u>Ibid</u>. p.20.
- 34. Gustave Oehler, <u>Theology of the Old Testament</u>, p.235, quoted in Gary North, <u>An Introduction to Christian Economics</u>, pp.212-213.
- 35. Gary North, An Introduction to Christian Economics, p.213.
- 36. Ibid. p.223.
- 37. Deut. 19.14, Proverbs 22.28.
- 38. Luke 10.7, James 5.4.
- 39. Samuel Brittan, "Back to Full Employment: The Economic Aspect". National Westminster Bank Quarterly Review, pp.46-47.

- 40. Ibid. pp.48-50.
- 41. Cf. Financial Times, 19.3.86, pp.16-18 and editorial 3.6.86, p.22.
- 42. Peter F. Drucker, The Practice of Management, p.265.
- 43. Rousas J. Rushdoony, Law and Liberty, p.66.

- 44. Edward Vanderkloet, "The Unpopular Union". In <u>Beyond the</u> Adversary System: Essays on Industrial Relations, p.3.
- 45. Bob Goudzwaard, Capitalism and Progress, p.69.
- 46. Bob Goudzwaard, Toward Reformation in Economics, pp.39-41.
- 47. Calvin Seerveld, Christian Workers, Unite! p.5.
- 48. Richard W. Beatty and Craig E. Schneier, op.cit. p.412.
- 49. Wayne F. Cascio, op.cit. p.352.

- 50. Georges Friedmann quoted in Jacques Ellul, <u>The Technological</u> Society, p.400.
- 51. Agenda Representative Session, 1934, p.491, quoted in George T. Brake, Policy and Politics in British Methodism 1932-1982, p.481.

Footnotes to Chapter 7

- 1. It will be evident from this thesis that much more work needs to be done within the Reformed tradition in connection with relating the Christian Faith to Economics. Particular attention needs to be given to the problem of how to relate the Scriptural data to the practical situation. Divergences of approach within the Reformed tradition have surfaced more than once in this thesis. (See, for example, the difference of approach to the application of the moral law between John Calvin and the later Puritans outlined in Chapter 4). The ways of using the Scriptural data in relation to contemporary economics could be a separate study in itself and would complement this work. It is hoped, however, that the broad outline sketched in this thesis, with focus upon the dignity of man, will be serviceable in the interests of further investigation into the organization of work in the context of modern society.
- 2. John Murray, <u>Collected Writings of John Murray</u>, vol.I, <u>The Claims of Truth</u>, p.359.

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