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What Does the Bible Say About Income Inequality?

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***E**ditor's Note: The Institute for Faith, Work & Economics released a new research report entitled, "Why Does Income Inequality Exist? An Economic and Biblical Explanation" by Dr. Anne Bradley, Ph.D. This week our blog will highlight the key findings from this report.*

Income inequality, as we have been discussing, is a fact of economic life. People are born with different gifts, they choose to pursue them differently, and they value those gifts differently. As such, our gifts carry unequal earthly rewards, one of which is in the form of income. The market is an earthly construct which can dole out only earthly rewards.

The looming question is whether this economic reality is necessarily unbiblical. To best understand this, we need to go to scripture on two fundamental points: the distribution of gifts and abilities; and examples of God's earthly rewards for stewardship within the context of market exchange. We'll discuss the first today.

Scripture tells us that we are created in God's image (Genesis 1:26-27) and that implies uniqueness. God is unique—there is only one God. Man too is unique both physically and spiritually. Each person on this earth has a unique genetic code, or DNA, that distinguishes us. From that code we each have a unique voice, fingerprint, personality, etc., all of which makes us matchless.

In addition to our specific genetic proclivities we are all created with unique sets of spiritual gifts. Tim Tebow was created uniquely to become a quarterback just as Billy Graham was created uniquely to become a public evangelist. They both can and arguably have furthered the Kingdom of God through their very different gifts and their different application of those gifts. It's not the gifts that matter as much as how we apply them to this life.

Economists refer to this uniqueness as comparative advantage. If one individual or company can produce a good or service at a lower marginal and opportunity cost than they are better off specializing in the production of that good/service and trading with others. This is a relative comparison of skills across individuals or companies or even countries.

There may be good reason why you choose to take your suit to the dry-cleaners rather than pressing it at home. It takes a specific skill and specialized machines to press a suit or shirt. You might be able to get something clean by doing it at home, but it would take time. That time may be better dedicated to other things.

A similar calculation is made by the dry-cleaning business. They don't make their own hangers, even though they are a critical part of a successful dry-cleaning business. The dry-cleaners could try but they could spend months, years even, and the hanger would not be nearly as good as the hangers they purchase from businesses who specialize in hangers.

Specialization frees up our time to focus in on using our gifts productively and that freed time is an opportunity to further the Kingdom of God.

All of this comes down to the fact that each individual is born with unique skills and abilities. Our work on earth, pursued with a true understanding of how God has called us to use those gifts—our purpose—can further His Kingdom. And that can occur through owning a dry-cleaning business, playing professional football, being a professional evangelist and countless other vocations, even though those gifts can and do bring different earthly rewards.

The uniqueness and purpose in our creation is quite evident in scripture. If this is true then income inequality is an economic reality woven into the very fabric of our creation, and some of us will earn higher incomes than others. Income is not the only earthly reward. It's just the only reward bestowed by the market. Scripture is clear that some will earn more earthly rewards for efficient stewardship over the resources with which we are endowed.

It's not just what we are endowed with, it's how we use what we have been given. What we are given refers to abilities, gifts and talents. As we are all created in God's image, we are all given different degrees, types and combinations of talents.

I Corinthians 12:4-11 , in reference to spiritual gifts, says:

⁴ There are different kinds of gifts, but the same Spirit distributes them. ⁵ There are different kinds of service, but the same Lord. ⁶ There are different kinds of working, but in all of them and in everyone it is the same God at work.

⁷ Now to each one the manifestation of the Spirit is given for the common good. ⁸ To one there is given through the Spirit a message of wisdom, to another a message of knowledge by means of the same Spirit, ⁹ to another faith by the same Spirit, to another gifts of healing by that one Spirit, ¹⁰ to another miraculous powers, to another prophecy, to another distinguishing between spirits, to another speaking in different kinds of tongues, and to still another the interpretation of tongues. ¹¹ All these are the work of one and the same Spirit, and he distributes them to each one, just as he determines.

In the context of income inequality, verses 4-6 are of particular importance. Paul writes that the gifts are different, the service of those gifts is different and there are different types of working (the gifts manifest themselves in entirely different ways) but in all of them God is at work for the common good. So we are unequal, and that inborn inequality serves to make us all better

off. How so? Because it releases us from trying to become perfect in all things, thus we can focus on our gifts and make positive contributions to the world.

If I had to possess all of the gifts in a fallen world, I could never accomplish anything. The market is a God-given construct, a methodology for exercising our gifts, and through our unique contributions whether they are through the business world or motherhood, we can make a contribution to the common good.

Question: Think about your own job or daily tasks. Is your income the only way in which you measure success or value in your work?

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