

Christian Responses to the Financial Crisis

A Briefing Pack for Clergy and Parishes

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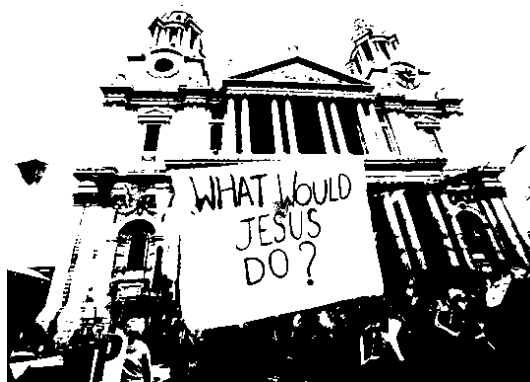
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Introduction

The Occupy LSX Camp at St Paul's Cathedral has placed the Church at the heart of our national economic debate. That isn't always a comfortable place to be – but it presents us with a unique opportunity for faithful Christian witness. The last fortnight reveals how much an allegedly secular society still looks to the church for meaning and for value.



The Bible contains a huge amount of teaching on possessions and wealth. Its detailed regulations and prohibitions on these issues are designed for a very different society and economy. Nonetheless, it gives us a very clear framework for thinking through economic issues. At its heart is a vision of creation as a *gift*, not a human *possession* – of our material world as something we hold in trust, to enable us to grow in fellowship with God, neighbour and stranger. Since in Jesus Christ “the word has become flesh and dwelt among us,” Christians believe our common life on earth reveal something of the life and love of God. That is our calling, and our challenge.

Because the Bible is written to such a different society, a key task of the church's thinkers and teachers is to apply its teachings on money to our own day. This briefing surveys some of the key reports and papers written by church leaders since the start of the current financial crisis, as well as summarising the demands of the protestors.

1 . The Church of England

1a. [General Synod report](#) on the financial crisis in Feb 2009 (Prepared by the Revd Dr Malcolm Brown, foreword by the Archbishop of York)

Providing a clear outline of the extreme character of the financial crash, and the changes in attitudes to free market economics which it immediately provoked, this report points to the ‘vacuum’ where we might expect to find alternative economic models. It suggests that the dominant assumptions in our economic system may be innately un-Christian – assuming that human beings are strangers who relate to one another only with the aim of maximising profits and pleasure. Economics is not simply a science for experts. It contains assumptions about the nature of human beings, which is a moral and theological question. (Economics, we might say, is too important to leave to economists!)

The report looks at practical ways our economy could be made more ethical: more local, mutual banking; the abolition of tax havens and some form of credit control. Detailing the social impact of the recession, it concludes the church has a duty to speak out on what is valued and how value is expressed, and points out that there is a long history of doing so. It strikes a final note of hope, detailing real social justice and civil economy projects being undertaken in a number of dioceses.

1b. St Paul's Institute, Oct 2011 [Value and Values: Perceptions of Ethics in the City Today](#) (Foreword and introduction by the Rt Revd Graeme Knowles and Canon Giles Fraser; Afterword by the Rt Revd Dr Peter Selby)

This valuable report details and responds to a survey of 515 professionals working in London's financial services sector. The evidence it collates is fascinating, suggesting that despite salary levels and bonuses emerging as the principal reason given by two-thirds of

respondents for joining the sector (64%), many working in the city themselves feel ethically conflicted about levels of pay and income parity (75%). At the same time as revealing significant ethical anxieties and inconsistencies in the thinking of those working in the sector, it suggests they are both less likely to be believers or churchgoers and additionally do not understand the church to have a calling to guide the City in these matters. As Peter Selby argues, this presents a challenge to the Church – to be both realistic about and more actively engaged in the spiritual and ethical needs of those working in the city and their doubts, both personal and abstract, concerning the goodness of the current financial system. It opens a space and makes evident a need for mission in the heart of global capitalism.

I.c. The Archbishop of Canterbury, [Human well-being and economic decision making](#), Nov 2009

Addressing the Trades Union Congress two years ago, the Archbishop of Canterbury outlines his core economic beliefs. He emphasises that the economy is not a self-standing, independent machine, but is produced by, and in turn profoundly affects, our social and cultural environment. In this light, we should all be attentive to the need to reinsert values and virtues to national economic life. There is a human capital—the resources of human creativity and idea-formation—which is depleted by effect of a highly unequal and gain-driven society on both our bodies and our spirit.

The Archbishop attacks the excessive pursuit of short-term financial returns, and instead calls for long-term investment in public goods, infrastructure and sustainable technologies. In practical terms, he is positive about the Tobin Tax, a levy on currency exchange whose proceeds go to fund more sustainable economic projects. This is a positive vision of taxation - not just as a restraint on business growth, but a positive way of reshaping our economic and social habitat. The church has a unique role in promoting an environment in which humans can grow and flourish - through supporting the family, strengthening the wider bonds of relationship and trust in a community, and challenging the 'barbarous' and destructive patterns of economic behaviour which damage our common life.

I.d. The Archbishop of Canterbury, [Time for us to challenge the idols of high finance](#), Nov 2011

The Archbishop of Canterbury's first public response to Occupy London Stock Exchange spoke of the protest camp as a sign of the 'widespread and deep exasperation with the financial establishment that shows no sign of diminishing'. Calling unequivocally for this window of opportunity to be seized, he declared a hope for 'robust public discussion' and a 'concerted effort to move the debate on and effect credible change in the financial world'.

2. The Roman Catholic Church

Pontifical Institute for Justice and Peace ['Towards Reforming the International Financial and Monetary Systems in the Context of Global Public Authority'](#). Nov 2011

The Vatican's latest intervention builds on the Papal Encyclical [Caritas in Veritate](#). It praises the dramatic improvement in the overall conditions of human living over the past century, but strikes a note of warning as to the massive inequality which has arisen alongside it. It warns against the assumption that the pursuit of self-interest alone can favour the good of the whole, ignoring its corrosive effects on human virtue, and the destructive effects of the growing gap between rich and poor. It also warns against 'technocracy' – looking for purely technical solutions to our current economic crisis, without considering its cultural and ethical dimensions.

The document exhorts all of humanity to an effort of 'community imagination' to envision an economy put at the service of God's people. It affirms that 'the better ordering of society is of vital concern to the Kingdom of God'. On the way to a system of greater global co-operation (which, it argues, needs to grow organically), it offers some practical first steps. These include the ones recently taken up by the Archbishop of Canterbury: taxation of financial transactions (the Tobin, or 'Robin Hood' Tax) with the revenues put toward domestic and global development and future crisis recovery, and making the state's financial support for banks conditional on their adopting virtuous practices and dividing ordinary from speculative banking.

3. The Nehemiah 5 Challenge: An Ecumenical Campaign against Usury

Shortly after the credit crunch began, churches in [Citizens UK](#) (a community organising alliance with a wide range of religious and civic groups) launched a campaign against exploitative lending. Inspired by testimony from local people trapped in debt, and by the consistent prohibition of usury in the Bible and the early Church, this campaign seeks to set limits on what a lender can charge.

The Biblical basis for this campaign is given in Luke Bretherton's paper [Neither a Lender nor a Borrower Be](#). Bretherton emphasises how central issues of money and lending are to Scripture:

At heart of the story of salvation we find the power of money and liberation from debt is a central concern. The admonition that we cannot serve both God and Mammon (Matt 6:19-24) is not a trivial matter: the central drama of salvation history is an act of liberation from debt slavery. To put the pursuit of money before the welfare of people, and use money to re-enslave and exploit people, especially the poor and vulnerable, is to turn your back on God's salvation and deny in practice the revelation given in Scripture of who God is...

This brings us to the specific biblical teaching on when and how we should lend each other money. Indicative of the direct teaching on lending money is the following from Exodus 22.25: "If you lend money to my people, to the poor among you, you shall not deal with them as a creditor; you shall not exact interest from them."

In the rest of the paper, and in a [wider essay collection](#) (with contributions by John Milbank and Vincent Rougeau), Bretherton argues that it is legitimate to take a modest interest payment on a loan. An appropriately regulated system of borrowing and lending can contribute a great deal to the well-being of all. However, the relationships of power between borrower and lender are often unequal, and Bretherton argues this means the state has a duty to intervene and prevent irresponsible and exploitative lending.

This combination of theological argument and personal testimony has led churches in Citizens UK to launch the Nehemiah 5 Challenge – a call for a cap on interest rates, and the regulation of loan sharks and payday lenders. As well as the materials referred to above, the Contextual Theology Centre has produced a leaflet for churchgoers and a [short film](#) on the campaign, which had drawn together members of Anglican Baptist, Methodist, Pentecostal, Roman Catholic and Salvation Army congregations, in alliance with Islamic, Jewish and secular organisations.

4. The Occupy LSX Protestors

The protestors at St Paul's Cathedral come from many different backgrounds and worldviews, and their decision-making process takes some time to yield definite conclusions.

But the initial statement of the protest's aims included the following commitments:

- *The current system is unsustainable. It is undemocratic and unjust. We need alternatives; this is where we work towards them*
- *We refuse to pay for the banks' crisis.*
- *We do not accept the cuts as either necessary or inevitable. We demand an end to global tax injustice and our democracy representing corporations instead of the people.*
- *We want regulators to be genuinely independent of the industries they regulate.*
- *We support actions to defend our health services, welfare, education and employment, and to stop wars and arms dealing.*
- *We want structural change towards authentic global equality. The world's resources must go towards caring for people and the planet, not the military, corporate profits or the rich.*

To this end, the protestors made corporate governance, and the gap between rich and poor employees, the key focus of their initial demands. In particular, they are asking the Corporation of London to be subject to Freedom of Information legislation, and to release details of its lobbying of Government on behalf of the banking sector since the financial crash. The latest information on the protestors' statements and demands is online at <http://occupylsx.org>

Suggestions for Further Reading

Adrian Pabst (ed), *The Crisis of Global Capitalism: Pope Benedict XVI's Social Encyclical and the Future of Political Economy*, Wipf & Stock 2011 // A broad and probing collection of essays on which reflects on the current state of Catholic and Anglican social teaching, intellectual, moral and economic failures behind the current crisis and alternative visions of economy. It includes contributions from leading Catholic and Anglican voices across disciplinary and professional boundaries: theologians, politicians and political thinkers, economists and charity workers.

John Sentamu, '[Archbishop's call to re-establish a fairer society](#)', *Yorkshire Post*, 5 November 2011 // A clarion call to change financial practices and begin transforming financial mores at every level of society. Archbishop Sentamu puts out a call to rekindle the Jubilee 2000 spirit of the Church of England's involvement in social justice campaigns and questions. The Archbishop has always put social justice and moral economy questions at the forefront of his message. He cautiously praises the aims of the Big Society agenda understood from a Christian perspective of self-giving and living in communion, and has set up the [Acts 435 Direct Giving Project](#) as a way for individuals to practise discipleship in personal acts of charity.

Nicholas Shaxson, *Treasure Islands*, Bodley Head, 2011 // This book provides much of the rationale for Occupy LSX's focus on governance and transparency – in particular in Chapter 12 – and includes testimony from Christian leaders campaigning on these issues.

Rowan Williams & Larry Elliott, *Crisis and Recovery: Ethics, Economics and Justice*, Palgrave Macmillan, 2010 // The Archbishop of Canterbury and the Economics Editor of The Guardian joined forces to edit this collection of essays on the current crisis and possible responses. As well as major essays by both editors, contributors include: economists such as Robert Skidelsky, economic commentators like Will Hutton, political analysts such as Jon Cruddas, Jonathan Rutherford and Adam Lent from the left, and Phillip Blond and Zac Goldsmith from the right, and figures from the world of finance and financial regulation.

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The Contextual Theology Centre was founded to bring Christian faith into an active dialogue with the context in which people live and work - primarily through congregational participation in community organising.

This local, inter-faith engagement is the basis for our Jellicoe Internships and our research programme. This work has led on to a number of other projects for church and society: the Greater London Presence and Engagement Network (equipping churches for ministry in multi-faith contexts); the Shoreditch Group (mapping and supporting the churches' contribution to social transformation) and Near Neighbours (Eastern London) – part of a £5 million programme to build association and trust across faiths and cultures.