

Christian Business Review

A PUBLICATION OF THE CENTER FOR CHRISTIANITY IN BUSINESS

ARCHIE W. DUNHAM COLLEGE OF BUSINESS, HOUSTON BAPTIST UNIVERSITY

ISSUE 10

FALL 2021

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Library of Congress Cataloging Data

Christian business review (Print) ISSN 2334-2862

Christian business review (Online) (www.hbu.edu/cbrj) ISSN 2334-2854

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CENTER FOR CHRISTIANITY IN BUSINESS

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LIVING CASES: PERSONAL SPIRITUAL JOURNEYS OF
MEN AND WOMEN IN BUSINESS

THE



JAYS OF BOAZ

JEFF APPLGATE

► INTRODUCTION

As a teenager, I had the opportunity to spend three summers at Kanakuk Kamps in Branson, Missouri. While at Kanakuk, I was exposed to Christian college athletes who demonstrated how to live out their Christian faith in community. I wanted the faith and community that they modeled and accepted Jesus as my Savior and Lord. For that decision, I was changed for eternity. The Apostle Paul says “that if you confess with your mouth, Jesus as Lord, and believe in your heart that God raised Him from the dead, you shall be saved” (Rom.10:9), and “Therefore if anyone is in Christ, he is a new creature;

the old things passed away; behold, new things have come” (2 Cor. 5:17). Kanakuk is where I firmly committed to follow Jesus in every area of my life.

While attending Baylor University, I returned to Kanakuk during the summer breaks and had the privilege of serving in the role of counselor and other leadership positions. During those college years God developed my vision for ministry and established my identity in Christ. As a Christian, I have the power of God’s Holy Spirit residing in me, which has been the foundation for my identity, worldview, confidence, and source of my strength to persevere through trials.

I started my career as a Sales Representative with LSI Industries, a manufacturer of lighting, signage and graphics for gas stations. I was not the charismatic salesman who could captivate an audience and quickly close a sale. Fortunately, the sales process often took years to develop and required discipline, hard work, and integrity to earn the business. I learned that I needed to regularly see our customers face to face, listen to their business concerns, respond with helpful solutions, and build a relationship of trust. As the contractor who manufactures and installs branded graphics at our customer's retail locations, I was one of the first contacts and the face of the new relationship. My customer's reputation and career depended on how well my company managed customers' transitions. I learned that *people buy from people - and they buy from people they trust*. Having a foundation built on an identity in Christ provided core beliefs that fostered trust and confidence that helped propel my career.

▶ YOU HAVE BEEN SET APART

Yet I have been set aside for so much more. Jesus told his disciples, "you shall be my witnesses both in Jerusalem, and in all Judea and Samaria, and even to the remotest part of the earth" (Acts 1:8) and that they will "go therefore and make disciples of all the nations, baptizing them in the name of the Father and the Son and the Holy Spirit, teaching them to observe all that I commanded you" (Mt. 28:19). I was safe in my identity in Christ, but I was not living as someone *set apart* as Christ's witness to the people encountered in the marketplace every day. How do I share Jesus without imposing my beliefs on them or creating an awkward feeling as if I am trying to proselytize them? Pursuing this effort has been a journey that I have worked toward for many years in the marketplace.

After nine years in sales, I was promoted to Vice President of Sales and travelling a lot. I had a young family and, yearn-

ing to spend more time at home, I pursued an opportunity to lead and rebuild another division of the company which built products for technology companies such as Nokia, Motorola, and Compaq Computer. This was my first opportunity to exercise the responsibility to establish a new vision for the business and to lead a group of people to achieve that vision. Having put my reputation and career on the line, I naturally struggled with the fear of not being accepted and the possibility of failure.

As I brought these doubts to the Lord, He provided daily encouragement through His Word. It gave me confidence to trust Him with all my anxiousness and plans. The result? We were able to re-build a young and hungry sales team, grew revenue and profits, expanded our services, gained entry into the exploding telecommunications market, and pioneered a new technology along the way. Initiating changes can be exciting but also a huge responsibility. Change directly impacts the lives of so many people. Carrying the burden of the responsibility made my times of prayer in the morning ever more fervent.

Sharing the gospel message of Jesus in the workplace was not something that I was comfortable doing, but I felt the burden to care for and pray for the people on my team. I recall one early morning praying specifically for the opportunity to share the gospel with someone that day. It was later in the afternoon after I had long forgotten about that morning

prayer and I was deep in the tasks of the day when one of our customer service representatives knocked on my door. What happened next changed me profoundly and showed me how God works through His Spirit in the workplace. She sat down and directly and simply

The Holy Spirit *is* at work in the hearts of individuals and it is my job to pray for my co-workers, lead in love, and be prepared to respond when the Holy Spirit provides an open door.

asked me, "Can you tell me how I can know Jesus?" Immediately I recalled the unusual prayer hours earlier and felt chills ran down my spine. I had the privilege to share Jesus with her and pray with her to accept Jesus as her Savior that morning. God answered my prayer that very day and showed me how I could be Christ's witness in the marketplace. God showed me I did not have to respond to the pressure to share the gospel of Jesus in an unnatural and awkward way. The

Holy Spirit *is* at work in the hearts of individuals and it is my job to pray for my co-workers, lead in love, and be prepared to respond when the Holy Spirit provides an open door.

BIBLICALLY BASED BUSINESS MODEL

In 2001 our business of product identification and labeling for the technology market was doing very well. My prior superior had left the company and was leading the turnaround of a large national personnel staffing company. He recruited me to join as one of several Group Vice Presidents to lead the south Texas market. The job promised new challenges, financial rewards, and a chance to be home every night. Ironically, the attacks on September 11 and subsequent collapse of the economy happened just a couple days after I turned in my resignation, but I continued to look forward to the next challenge with a new industry. I was particularly drawn to the opportunity to work under the leadership of Kevin Miller, a business turnaround expert who employed a biblically-based strategy. Leading people who did not know me through difficult changes in a rapidly declining economy provided an entirely new challenge.

All of the regional Group Vice Presidents charged with restructuring the company met in Dallas where Kevin rolled out the company vision, strategy, and core values. The vision painted a clear picture of our future company, the strategy provided a logical direction, and the values established a consensus that would guide decisions. To a secular audience this is exactly what one would expect from a business turnaround expert. However, soon afterwards in a presentation to an outside group of Christian business leaders, Kevin outlined Scriptural principles and a servant leadership style that anchored the turn-around strategy. Jesus modeled servant leadership and provided His disciples clear goals and instructions on how to build His Church. Connecting biblical principles to the building of a business was a revelation to me.

I was the new guy with little relationship capital, coming in to execute disruptive change to the organization. In just a few months, I had closed and consolidated offices, re-organized management, changed operational procedures, and implemented weekly performance metrics to sales and operations. Establishing and maintaining trust with my team during this period was the biggest challenge of my career. By 2003, I was one of the last of the team of Group Vice

Presidents recruited to help with the transition who was still standing. We had accomplished our goals during a rapidly declining economy, but it was not without casualties. I felt it was time to make a change. The Lord had carried me through a tumultuous period that was required for the survival of the company. I learned to how to build a business on a foundation of biblical values. I learned to connect vision, strategy, and servant leadership taught by Jesus to build a lasting great business, and I was equipped with practical skills I could take with me to my next business venture.

REBUILDING A HISTORIC HOUSTON BUSINESS

In 2003, I joined Blackwell Plastics as President to lead the rebuilding of a Houston-based 70-year-old plastic injection molding company. The company had a storied history in supporting some of the great entrepreneurial companies in Houston. After starting in the later 1930's as a manufacturer of fishing tackle, in the 1940's during World War II the company manufactured products for the C47 transport planes. In the 1950's, it built the first plastic cooler parts for Igloo Corporation, as well as parts for NASA's Freedom 7 mission. And in the 1960's, it created the first heart by-pass pump. In the 1970's Blackwell Plastics manufactured more than one million Weedeaters.

Eventually in the 1980's, the company settled into manufacturing natural gas fittings for Phillips Petroleum. Then in the late 90's Phillips divested of the gas fitting business resulting in the tragic loss of much of Blackwell Plastic's business. That is when I had the opportunity to lead the rebuilding of the business with the option to purchase the company at a later date. This would be an opportunity to apply my experience and biblical principles to rebuild the business.

In 2004, during my first year, the founder and owner had a heart attack. He went in for by-pass surgery and experienced complications that nearly took his life. For months we did not know if he was going to survive. Mr. Blackwell was the founder and had provided jobs for the employees for 70 years. My task was to provide assurance that plans were in place to maintain company operations. Leading in a crisis was not new for me, but this gave me an opportunity to connect on a deeper level with the employees and lead them in prayer for Mr. Blackwell's recovery. I would regularly share updates that at times seemed hopeless but proclaimed that

God was in control and that my confidence was in His plan for us. He did eventually recover. When faced with a crisis, people watch how you respond. My first reaction was to pray and demonstrated my hope and confidence in the future was in our God.

Mr. Blackwell felt it was important to sign every payroll check and hand deliver a paper check to every employee on Friday. Each week I was presented with a stack of checks to sign, and I took that occasion each week to pray over the entire stack of checks, praying for each name and family as I signed their check. Having a weekly schedule allowed me to fulfill my commitment to pray for every employee and trust in God to work in their lives so that they could testify to His glory.

Each year I have a theme for the business that captures the strategy in a few words. It is printed on a t-shirt with a verse that supports the theme like a

sub-title. As I have worked to build culture in the various organizations, I have led with a favorite theme: "Love one Another." It captures an overarching message that Paul gave to Timothy and has been a guiding principle to me in building company culture: "But the goal of our instruction is love from a pure heart and a good conscience and a sincere faith" (1 Tim. 1:5). John 13:35 tells us, "By this all people will know that you are my disciples, if you have love for one another." Love is the foundation for the culture that I seek to develop. The teams that I have managed often hear me repeat the phrase, "If we respect each other and genuinely care for each other, everything will take care of itself." Employees will care for the facilities, the restrooms, the equipment, the customers and will be there for each other. If Paul's goal of his instruction for Timothy could be distilled down to love, then that is good enough for me.

Love was the environment that Jesus created for his disciples and love was the goal that Paul set for Timothy, but Jesus and Paul had a big job—to save the world. Jesus and Paul set high standards, led by example, and required sacrifice and high performance from their disciples. In all of the companies I have led, I have aspired to foster a culture of

love but also expect hard work and require excellence. One of the company Core Values that has been part of every company I have managed is what I call the *Cycle of Success*. It is a sequence of setting goals, measuring performance, evaluating progress, and setting new goals. The Cycle of Success provides clear direction, established expectations and measurable results that we use to drive accountability. Creating a culture of respect and love for one another is the catalyst that supercharges the goals and metrics generating exceptional results.

The company achieved success and were recognized by Houston's Economic Development Council as Houston's greatest small company in 2006. As we trust God in our

personal and business life, we see His provision, we experience His healing, and we put faith in Him for our future. 1 Peter 2:9 says that we are to "proclaim the excellencies of Him who has called you out of darkness into His marvelous light."

As business leaders, we should recognize that God cares for our business life and give Him glory for the difficult pruning that allows us to grow as well as for the success that we enjoy.

As business leaders, we should recognize that God cares for our business life and give Him glory for the difficult pruning that allows us to grow as well as for the success that we enjoy. Business leaders have a platform to tell our story. If Christ is living in us, we cannot share our story and the story of our company without proclaiming the power of Jesus in our lives.

► THE WAYS OF BOAZ

After 10 years of successfully rebuilding the business, I decided to pursue the option to purchase the company. But when negotiations stalled, I decided to leave to start my own business. In 2013, I left the company and founded Texas Injection Molding through the acquisition of a small Houston-based plastic molding company. I had to invest everything I had saved, including the savings for my son's college education (and this was during his senior year in high school!). I also had to sign an unlimited personal guarantee on a business loan. Then I finally took the leap to become

an entrepreneur. The only similar experience in my life was when, in faith, I accepted Jesus as my savior, left the old-self behind, and put my trust in Jesus for my redemption and eternal salvation. "All In" was the theme for our first year, and I was re-building again.

The new business' vision, as stated on the website, is to bring glory to God through being recognized as the best in what we do. Our strategy is simple: to recruit and retain the best *People*; to maintain the best manufacturing *Processes* to provide repeatable product; and to provide our people the *Technology* and tools to do their jobs.

The "secret sauce" or "magic in the bottle" that makes us stand out in the marketplace is our culture. Our culture takes as its model the biblical character of Boaz, the grandfather of King David. Ruth 2:4 records, "Now behold, Boaz came from Bethlehem and said to the reapers, 'May the Lord be with you' and they said to him, 'May the Lord bless you.'" This verse provided a vision for the culture, leadership, and management in Texas Injection Molding.

Boaz's greeting, "May the Lord be with you," suggests that he sees great value in his relationship with the Lord and puts his trust in God for his well-being and the well-being of his staff. His reapers replied, "May the Lord bless you." Not only do they acknowledge the Lord's influence on their harvest, but they also support the culture of respect and care for each other that Boaz had established. Today workers are often cynical of ownership. I frequently talk to people in our organization and write a letter each quarter where I follow Boaz's example to intentionally proclaim my trust in the Lord. I would hope that my staff will also pray for me as Boaz's staff prayed that the Lord would bless Boaz. Boaz was the owner of the field and is described as a "worthy" man. Not only did he create a culture of respect and love, but he also created a prosperous business providing for his family and the community.

Boaz was the landowner and leader of the farm. He could have kept his faith to himself, not wanting to offend those from other tribes or beliefs. But in his leadership, he chose to express his convictions to influence his team. He was not imposing his beliefs on his staff but was simply living out his faith and praying that the Lord would be with his staff. As

leaders in our organizations, we have personal convictions, and it is our responsibility to speak our convictions and share our perspective.

On the wall next to my bathroom sink I have a framed poem handed down to me by my father titled, "*Walk a Little Plainer Dad*." The message is that our kids watch our every move and that we should be the example they can follow. It is the same in our workplace. Our peers and co-workers are acutely aware of the leader's actions. Do you come early to work to study the Bible? Do you have a reference Bible handy? Are you different because of the Holy Spirit that lives in you? Do you serve others? Do you love all people? Do you praise God and lift others up in love? It is said that I would rather see a sermon than hear a sermon any day. Let's make sure our employees see a sermon in us every day as we live life in the midst of a messy competitive world.

It is said that great leaders give credit when things go right and take responsibility when things go wrong. This is true in giving credit to your team, but also in giving God credit for His involvement. We are building a new manufacturing facility and the design includes a rock garden in the front of the building. As the Israelites placed 12 stones from the Jordan

river to proclaim to the next generation the miracles that God had performed, we are inviting our employees, customers, vendors and friends to bring a

Let's make sure our employees see a sermon in us every day as we live life in the midst of a messy competitive world.

rock for our garden to proclaim the great things God has done in our lives. As Christian leaders, we have many opportunities to declare our faith and God's provision.

Management guru Tom Peters coined the phrase Management By Walking Around (MBWA) and promoted the tactic used by Boaz. Boaz could have stayed in the house and let the servants do the work, but instead he was out in the fields with the workers. Going in the fields he could observe the work, talk directly to the reapers, and hear directly from the front lines, putting him in a better position to make good decisions and build good will.

I am a list maker. I find satisfaction working like a bee going from task to task, wasting no time, checking off the list. Unfortunately, this behavior often conveys to my co-workers that I am busy and don't want to be bothered. I have to be disciplined to make time to linger, ask open-ended ques-

tions, and wait through sometimes awkward silence to let co-workers fill the gap. When I take the time to stop and afford a few extra seconds to listen, I will be amazed by how much I can learn in a 15-minute stroll through the manufacturing floor.

Being available allows me to learn of my teammates' personal concerns. While wandering around a couple weeks ago, a teammate shared that a former team member had lost their granddaughter to a drowning accident. This gave me the opportunity to write a personal note and join with others to pray for the family. As a Christian leader in your company, you will find natural opportunities to pray with your employees and provide leadership in a pastoral role.

I have been working out my faith in the marketplace for over 30 years. As Christians we have a new identity in Christ and have the power of the Holy Spirit working in us. We have been set apart to be Christ's witnesses to the marketplace and the community in which we live and work. As leaders we are afforded the privilege to live out our faith and build high performing companies based on biblical principles. We should all aspire to be the "Boaz" for the people and organizations that we lead.

ABOUT THE AUTHOR



JEFF APPLGATE is the Founder and CEO of Texas Injection Molding, a Houston, TX. based manufacturer that provides plastic injection molding services to many industries in the south-central United States. Jeff has been committed to manufacturing for 33 years in a variety of roles, having served as the co-founder and Past Chairman of the Greater Houston Manufacturing Association and served two terms as President of the Society of Plastics Engineers. In 2005 Jeff was awarded the Texas Mainspring Manufacturing Award for his commitment to manufacturing excellence and innovation in Texas at the Applied Manufacturing conference in Arlington Texas. He is the author of *Lead Your Family: Vision, Mission, and Core Value* (2021), member of Houston's Second Baptist Church, and serves on the advisory boards of the University of Houston College of Engineering, Houston Community College Advanced Manufacturing Center and Camp Eagle. Jeff holds a joint degree in entrepreneurial management and finance from Baylor University. He is married to Julie Applegate and they have 3 grown children.





DOING BUSINESS FOR GOD^{*}

GUY L. MORRILL

A NOTE FROM THE EDITORS

Stewardship. The answer is Stewardship, according to the Rev. Guy Louis Morrill, which is what sets Kingdom business apart from secular business, and gives eternal meaning to the purpose of commerce as he defines business as a "divine ordinance and...a holy thing to be conducted in accordance with the divine will." This perspective transcends time, conquers shifting ideologies, and overcomes tides of trials such as cycles of natural and man-made calamities. With the horrors of the global pandemic not yet fully visible in the rearview mirror and the sobering alarms of secularism roaring across horizons, we feel the timeless message of the Rev. Morrill in *You & Yours* (Fleming H. Revell, 1922) would offer a clear reminder to marketplace Christians as to the purpose of why they are chosen to be Christ's ambassadors in this realm of culture and time of human existence. This is also a great anchoring message for this CBR issue as we explore the direction of commerce in the "(New?) Kingdom Economy," as Rev. Morrill did a centennial ago, when it defined the meaning of service in the employ of the Most High God.

^{*} Adapted from "Study III: Doing Business for God" in *You and Yours* by Guy L. Morrill (Fleming H. Revell, 1922). This work is in the public domain in the United States of America, and possibly other nations. Within the United States, readers and adapters may freely copy and distribute this work, as no entity (individual or corporate) has a copyright on the body of the work. The current adaptation is from book accessed on 5/24/2021 at: https://www.google.com/books/edition/You_and_Yours/cBOZAAAAYAAJ?hl=en&gbpv.

We need a Christian theory of business that will relate business to the eternities. To get the world out of bed and dress it and feed it is too much like a mother's job not to have the right to be deemed a holy service. We Christians, believing that God is the Creator of the earth and of us who live upon the earth for a time and knowing the absolute necessity of what we call business for the sustenance of the human race, ought to believe and know that business is a divine ordinance and therefore it is a holy thing to be conducted in accordance with the divine will; that rightly conducted, it is a true service of God. The conduct of business constitutes that greater part of our moral life.

It is in the handling of things that we have our largest, is it an exaggeration to say our only, opportunity to develop our moral nature. In ordaining this great system of business God gives us the means to be true and just, honest and faithful toward Himself and towards one another. Without the handling and disposal of things in business relations there could be no development of the Christian virtues of truth, goodwill, integrity, justice, goodness, generosity, faithfulness and the other traits of character struck out by human intercourse. The business man if he would seek the Kingdom of God must seek and find it in the world of business. To the unrighteous man, Wall Street is indeed the Kingdom of Mammon, but to the righteous man, Wall Street is just as much the Kingdom of Heaven as Trinity Church at the head of Wall Street is; and he who cannot find the Kingdom of God in the street cannot find it in the Church.

We are most like God not when we are enthralled with holy meditation and engaged in passionate prayer; we are nearest to God and most like Him when we as workers together with Him are producing. God is Creator and every true child of His must be a creative personality engaged in producing in business. Every man, to be like God, must be a producer. It is in the world of things, in business, that man finds his chief opportunity to express this creative ability, this godlikeness. In their offices, their shops, their factories, as men work with material things, it is not only things they produce but life, in

themselves and in others.

Manhood is made both in the process of creating things and in the use of the things created. God uses things in their acquisition and their accumulation and their distribution as sharp tool to fashion the lives of men. The workshop of the world's business where men spend so many of their working hours, is the place in which God does most of His building of human character. The spirit of God was no more potently present in the carpenter shop at Nazareth where our Lord increased day by day at His work-bench, "in wisdom and stature and in favor with God and man" than is the Spirit yearning to be in the world of business today. He is ready to permeate the whole life of business, the making and using of money, with a holy power which will transfigure the now repugnant muck of greed and selfishness and deceit and dishonesty into the white flower of manhood living in conscious partnership with God.

Business is a divine ordinance and therefore it is a holy thing to be conducted in accordance with the divine will; that rightly conducted, it is a true service of God.

The acceptance of the principles of stewardship, by which man would realize that in a blessed partnership they are co-workers with God, would enable Christian men to break the chrysalis of the imprisoned character-building capacities of busi-

ness and set them free in full-winged power to help build the Kingdom of God. ...Stewardship practice will cultivate the consciousness of the divinity of one's work. Things as they are must be converted into things as they ought to be; and this can be done only as we each begin to do our business, whatever it may be, for God and count it work for the Kingdom.

HOLY SERVICE WITHOUT SPECIAL ORDINATION

The making of the world of business a holy service for God involves the recognition by each worker that he has a special mission to perform even if he has no special ordination. The laying on of hands of ordination upon the head of

the man dedicating his life to the ministry of the preached word, does not give him a more special mission than the man who in solemn performance of his daily work seeks to serve God and build the Kingdom. One man preaches God's message by his words, the other by his works. The calling to the one ministry is not more divine than to the other. All work done for God becomes a holy ministry by which God is communicated to the world and the world led up to God.

Isn't this what Jesus said to the woman of Samaria? "Ye shall neither in this mountain nor yet in Jerusalem worship the Father... The hour cometh and now is when true worshippers shall worship the Father in spirit and truth, for the Father seeketh such to worship Him." Not alone in some holy spot nor in some special liturgy, but in every place of work and trade, the Father desires every man to recognize his labor as a holy calling if done in spirit and in truth and the method in which God, who is a Spirit, is to be worshipped. So that the blacksmith swinging his hammer at his anvil will be ministering at an altar of God just as much as the acolyte swinging his censer before the altar in the cathedral.

It wrenches all our thinking to consider all work as service, holy as the specially ordained priesthood of God. One may ask, if all is holy, why should there be any setting apart to the Gospel ministry by special ordination? The setting apart of the priest by special ordination is but a reminder that all life is a holy service. For a time in man's kindergarten days God set lives, by special ceremony, apart to His service that men might come to know that every life was His and should be devoted to His service. So did He set apart one day in seven as His day not to indicate that the other six were not His days, but to

keep in men's minds the facts that all time was God's and every day was His day and if the one special day - God's day - and the specially ordained man - God's man - were given a particular sanctity, their holiness was intended to make the more evident that to God belongs all time and all lives and that every day and every man's calling were holy. The Sabbath and the priesthood are but symbols of God's rights in all time and all life. They in no way warrant the dividing of life into "holy" and "not holy" sections. No man's calling in God is unspiritual, for every man is the servant of the Most

High. When men begin to run their lathes, use hammers and saws and plow their fields and harvest their crops, keep their ledgers and sell their goods for God, men's work will become the holy thing God intended it to be. There is a similar import in the separated part of our possessions, the portion we set aside as God's for giving. This setting aside as God's part of our possessions does not mean that the separated portion - the tithe, if that be the amount of our separated portion - is God's and the remainder of our possessions belongs to us. God's portion is but the reminder that God is the owner of all, and every particle of our possessions must be used for Him.

The teaching of the fact of stewardship will help create the consciousness in every man of his special mission in the particular work to which he is called. Then shall the work of men be as a priestly service and trade become a holy vocation.

► SECULAR VERSUS SACRED

Christ greatly blurred and even obliterated the boundary line between the so-called secular and sacred segments of life. All life became sacred in His thought and teaching. He taught in the synagogues and He went about doing good, healing the sick and cleansing the lepers. There is not the slightest intimation that He counted the one more religious and sacred than the other. The Prophet of God was not engaged in sacred work when He proclaimed the gospel of the Kingdom and in secular work when with wondrous gentleness He

All work of every sort offered to God, without respect to what it might be in itself, was deemed by Christ as sharing in some important way in the divine plan.

became the Friend of the Needy by the way. To Jesus one was as sacred as the other and both equally were work for God. It is sometimes said that Jesus healed the sick so that thereby He would get attention to His real mission, which was preaching the Gospel. This is wholly mis-representing Jesus. He healed the sick with no ulterior motive. This ministry of helping people to Him was service for God as really sacred as the work of preaching. All work of every sort offered to God, without respect to what it might be in itself, was deemed by

Christ as sharing in some important way in the divine plan. While the tithing of mint, anise and cummin was most proper and ought to be done, Jesus did not want men to deem this prescribed religious act of tithing as more sacred than the carrying on of one's business with one's fellows in a just manner and in love for God. This business is to be counted holy also.

The whole world is to be one great place of vision wherein God is to be seen sanctifying all life and wherein the now so-called secular business and trades, the work of the carpenter and painter, the work of the printer and the salesman, the work of the clerk and the politician, the work of the farmers and the day-laborers, shall be irradiated with a divine glory. Life in that hour shall be deemed the glad task of God's children fulfilling the Father's purposes of love.

► BUSINESS AS SERVICE

The service of Dorcas (Acts 9:36-42) is generally called charity. The English word "charity" is a transliteration of a Greek word meaning "love." Charity is love seeking to minister to a need. It has in our modern thought a much more restricted meaning. Charity is almsgiving, liberality to the poor. But the idea of service in the word charity, a service growing out of love, is the basic idea of the Christian life. This is what Christians are for, to serve in love, to help the heavenly

Father care for mankind, whom He loves. And this concept of charity should be at the heart of all business. Business in the mind of God is a charity, a service growing out of love.

Sometimes businessmen, irritated by the increasing restrictions imposed upon their business, blurt out the question, "Do you think we're in business for charity?" Of course they mean by this question to assert that they are not. But the fact is if they are Christian stewards they are in business for just that purpose. They are in business for charity, for the service of humanity in love. Why should not

every mill and clothing factory and tailoring establishment be conducted as a gigantic organized "charity" – in the sense of being a service of "love" for all mankind, and carried on in the same spirit in which Dorcas, knowing the need of the widows, lived to provide them with garments to keep them warm. The world must be clothed and kept warm. Must this need of men be selfishly exploited? Or can this need be seen as a calling to service for God? Why may not the clothing business be conceived as a service of charity – love – for humanity? Can it be fairly conceived in any other terms from the Christian viewpoint?

And in the same way, if I were a farmer, what a holy calling mine would be? I must believe that God sets me the task of feeding a hungry world. Little children will open their mouths and by my plough and cultivator I will provide the bread to fill them. It would be my God-given job as a farmer to help God answer the world's prayer. "Give us this day our daily bread" (Mt. 6:11). It would be easy for me to believe that Christ was speaking of my work when he said, "He that believeth on me, the works that I do, shall he do also and greater works than these shall he do" (Jn. 14:12). For while Christ fed His thousands in the miracle by the sea, I feed my tens of thousands by my work as a farmer.

And the carpenter must think of his work of providing homes not merely nor chiefly as an opportunity to profit by the needs of men. As a partner with the Carpenter of Nazareth he must undertake his work and do it with the consciousness of performing a God-given service.

Stewardship requires that we think of business as a service. We are not in business as Christian stewards to make money in the first instance, but to offer just such a charity, just such a service of love to mankind in God's name, as Dorcas offered to her needy widows. Some men say you cannot mix sentiment with business, but Christ asks: Where else you can have any sentiment? That's the damnable fact about our paganized economic life. Love and sentiment and brotherhood and generous service have been squeezed out between the upper

Stewardship requires that we think of business as a service. We are not in business as Christian stewards to make money in the first instance, but to offer just such a charity, just such a service of love to mankind in God's name.

and nether millstones of “my own” and “profits.” It is time now for the Church to send Christians out into business to put charity – love – back into it, by the practice of the principles of Christian stewardship. Jesus must have been thinking of this hour when He prayed for His own, saying, “Father, I pray not that thou shouldst take them out of the world, but that thou shouldst keep them from evil. As thou hast sent me into the world even so have I sent them into the world” (Jn. 17:15). The “world” today is a world of things, business, money making and into this world the Christian steward is sent of Christ with a very special responsibility. He is to teach men that business is a divine mission – a service – a charity – to be executed for the glory of God and the good of mankind.

This is no mere Utopian dream that cannot stand the racket of real business conditions. Business can be made a genuine service and yet let those live by it who offer the service. Stewardship does not demand that a man cease making profits. It does demand, however, that a Christian man shall put service first and let profits follow. A Christian steward has a divine right to live by his business. “The laborer is worthy of his hire” (Lk. 10:7). But while the Christian steward has a divine right to live by his business, he has no right, if he is an employer of labor, to strain out the utmost farthing by oppressing his employees and profiteering on the public. And the worker, the wage-earner, must count his job as a service for God. He cannot be a good steward and give as little as he can for what he receives. His job is not for his boss, but for humanity and for God. And “scaped” work, or any scheme for underproduction, or any sabotage that wastes the wealth of the world, is contrary to the stewardship ideal. Business under the stewardship regime will be a service to provide contentment and life to both the server and the served. ... The Church must teach men to be stewards for stewardship will take the rule of gold out of business and put in its place the Golden Rule.

► DIVERSITIES OF GIFTS BUT ONE SPIRIT

There is no manner of service, however humble, but may share in the ministry of the Kingdom. Paul (in 1 Corinthians 12:14-31) describes the relationship which exists between all sorts and conditions of men, between all classes of whatever description, between all sorts of jobs in man’s common life. We all are workers in the body politic, and all are dependent upon and bound up in the life of the others. No one can prosper at the expense of others. If any one of them

suffers, all the others are in pain. We are many members and being many are one body. Every man’s work is needed, and if not done will be missed. There may be diversities of operations but it is “the same God which worketh in all.” “There are diversities of administration but the same Lord.”

“There are diversities of

gifts but the same spirit ordering every man severally as he will.”

Every man has the right to stand in his own place unabashed with his own gift ready to serve where and how God wills and feeling that he has a holy mandate for his work, whatever that work may be. It is truly his work – God’s assigned task – and as a good steward he must faithfully do his appointed work. And if it is left undone or done imperfectly there is a note missing from life’s symphony. Of course many men are not doing the task God appointed for them. They are doing their own will and seeking their own ends. It is as Christian stewards that men step into the divine program and sense their work also as divine.

This stewardship recognition of the right of each gift to make its own distinctive contribution to the life of man will vacate the artificial caste system now prevailing, that puts one man’s work above or below that of another. The distinction between “wages” and “salary” will not indicate a distinction in esteem. The “office” and the “shop” will not be two areas of life’s service with diverse degree of respectability

Stewardship is the counting of life as glorious partnership of love and service with God. Then every job is a divine mission and there can be no shirking, no selfish purpose and no dishonesty.

and honor. Stewardship will make all men workers together with God. It will make every man's work, when honestly and faithfully done, equally worth in the eyes of God from whom come diversities of gifts but the one spirit uniting all men in one holy ministry of love. No task will be scorned as menial for it will have its own place of recognized worth and is entitled to a full meed of praise.

Stewardship will make every man's work something more than an undesired and compulsory duty. Our work is not merely something which must be done. It is not only a mandate, it is a mission. If work were nothing more than a kind of task-master it would be somewhat irksome and unwelcome. We take medicine when we are ill, not because we enjoy it, but because we know it is for our physical welfare. The aim conquers the aversion to the means. Work must be something more than a corrective, if it is to fulfill its mission. It is, in fact, the means of our liberation. It makes us free human beings.

The sense of our stewardship, our partnership with God in our work, lifts our tasks to the only level upon which alone they are tolerable or worthwhile. When we see the place our work holds to the whole kingdom task, then it takes on a new dignity. ... Stewardship is the counting of life as glorious partnership of love and service with God. Then every job is a divine mission and there can be no shirking, no selfish purpose and no dishonesty.

Today is a new hour for good stewards. Christians who will administer all they have, their life, their time, their money and their job for the sake of the Kingdom. The employer will seek the good of all for whom he is responsible. The employee will do an honest day's work for his wage. Buyer and seller, producer and distributor, will have first in mind God's ownership and their stewardship and then exercise their gifts with zeal and diligence, remembering it is one spirit in them all.

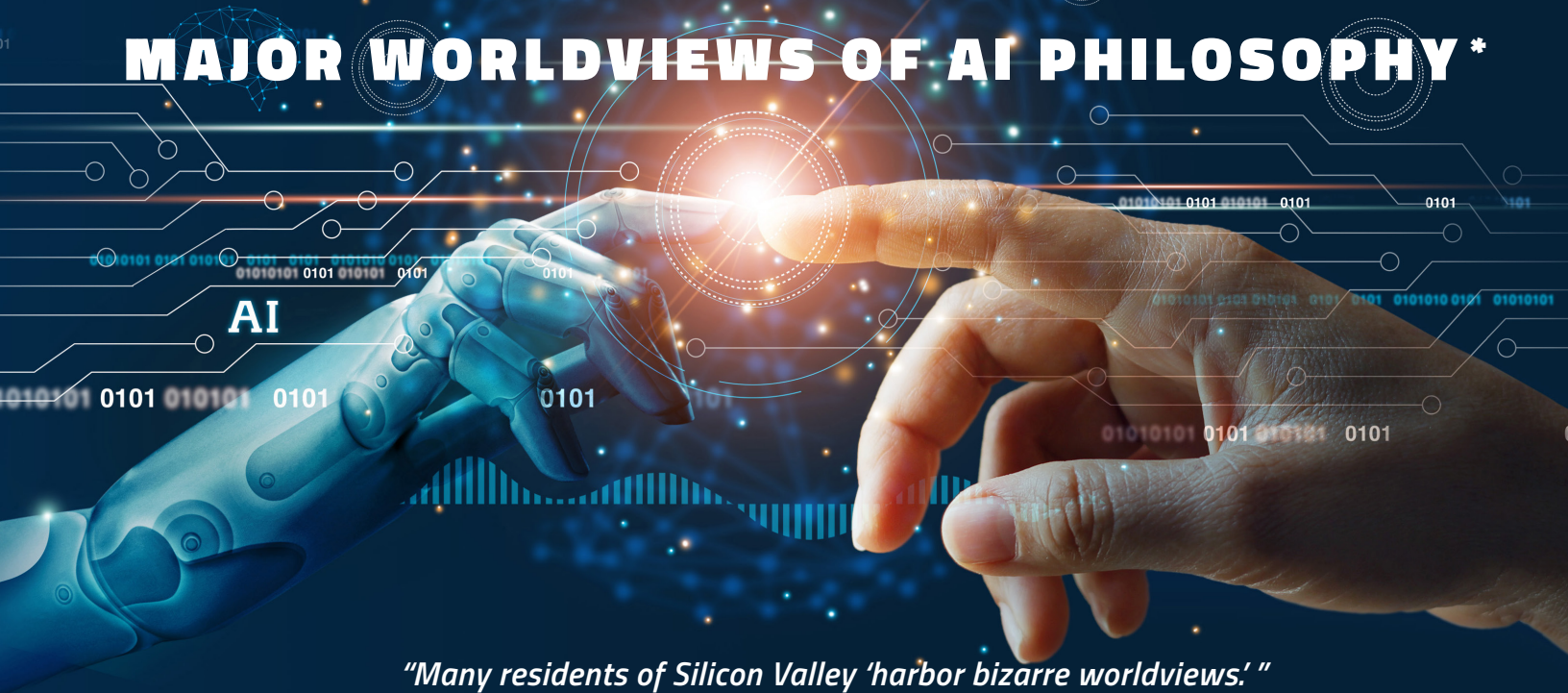
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THE REV. GUY LOUIS MORRILL (1874-1966) was a minister of the Presbyterian Church and served in the Church's Stewardship Department and the Department of Missionary Education of the Church's New Era Movement. He is the author of several books, including *Life as a Stewardship* (Westminster Press, 1924), *Laughing Stewardship Through* (Richard Smith, 1931), and *Stewardship Stories* (Harper & Brothers, 1941), in addition to *You & Yours* (Fleming H. Revell, 1922).



THE VIEW FROM THE VALLEY

MAJOR WORLDVIEWS OF AI PHILOSOPHY*



"Many residents of Silicon Valley 'harbor bizarre worldviews.' "
- Noah Baron¹

WALLACE HENLEY

► A NOTE FROM THE EDITORS

It is no secret that Big Tech has flexed its muscles and weaved its influential fiber ever more prominently into the fabrics of all of human life in the last two decades and especially since the global pandemic. The promises of artificial intelligence (AI) for human flourishing, and especially its integration into all aspects of commerce, would by necessity a prime mover of the New Kingdom Economy. But what exactly are the implications for Christians who must adopt and adapt to this new world order? Pastor and author Dr. Wallace Henley sounds the alarm for believers in his new book, *Who Will Rule the Coming 'Gods' - The Looming Spiritual Crisis of Artificial Intelligence*. Henley's analysis offers critical insights for Christians navigating a marketplace controlled by AI technology and by extension the beliefs and philosophies of its creators. It is a very timely exposé for the theme of the current issue of the CBR. We are deeply grateful to the author for permission to reprint excerpts from his new book.

► INTRODUCTION

How do the people who are developing and programming the "gods" of the future see the world? How can "principle" get into the logic-systems of an AI machine? And what "principles" would the programmers install? What are the spiritual, philosophical, ethical, and moral beliefs that humans will wire into *imago hominis*, and how will they do it?

What are the "permanent things" (to borrow Russell Kirk's terminology) that will be constants in the AI machine, meaning that no matter where their self-learning takes them these will be immovable, like the "ancient boundaries" set by the "fathers" in Proverbs 22:28?

Russell Kirk reminds us that by "the Permanent Things" T. S. Eliot "meant those elements in the human condition that give us our nature, without which we are as the beasts that perish. They work upon us all in the sense that both they and we are bound up in that continuity of belief and institution called the great mysterious incorporation of the human race."²

These are all vital worldview issues. They can be answered only by understanding the worldview of AI makers that gets programmed into the machines.

Steve Jobs may have been reflecting an important component of the Silicon worldview when he contemplated death. "I'm about fifty-fifty on believing in God... For most of my life I've felt there must be something more to existence than meets the eye..."

Jobs, facing death from pancreatic cancer, seemed to have been giving evidence of *ambiguity* as a major component in his worldview relating to transcendence, and perhaps that of many others in Silicon Valley.

At one point in his musings about dying, Jobs said that he liked "to think that something survives after you die... But on the other hand, perhaps it's like an on-off switch: Click! And you're gone. Maybe that's why I never liked to put on-off switches on Apple devices."³

A worldview afloat on ambiguity has significant implications regarding decision-making and values. However, despite Jobs' preference, non-ambiguous on-off switches for artificial intelligence devices are essential. A question of

apocalyptic proportions may loom in the future as a desperate humanity asks, *How can we stop these machines?* There will be no room for philosophical haziness regarding such a conundrum.

That brings us back to the fundamental question of this book: *Who will rule the coming "gods"?* What do the people who program limits into AI devices believe ethically, morally, and spiritually? On-off switches deal with absolutes. What are the absolute values that set boundaries on belief for the tech titans and their minions, and behavior embedded in their worldviews individually and collectively?

How do the creators of the machines see the world?

► EIGHT ESSENTIAL QUESTIONS

All worldviews are "religious" in the sense that they seek to answer ultimate questions, and rest on values. James Sire lists eight essential questions every worldview should answer:⁴

1. What is ultimate reality?
2. What is the nature of external reality... the world around us?
3. What is a human being?
4. What happens to a person at death?
5. Why is it possible to know anything at all?
6. How do we know what is right and wrong?
7. What is the meaning of human history?
8. What personal, life-orienting commitments, are consistent with this worldview?

To explore each of these in relation to AI would require another entire book. However, the question at the heart of the issue of transcendence is Sire's first: *What is ultimate reality?*

Answering the question requires going back in history, to the Enlightenment, and the reach of its tentacles into modern time. Fazale R. Rana and Kenneth R. Samples write that, "in some respects transhumanism, the merger of humans and AI machines, is the culmination of the vision of the Enlightenment, a philosophical movement of the seventeenth

*Adapted from Wallace Henley, *Who Will Rule the Coming 'Gods' - The Looming Spiritual Crisis of Artificial Intelligence* (Vide Press, 2021), Chapter 8, "The View from the Valley." ©2021 by Wallace Henley. Reprinted with permission from the author.

and eighteenth centuries.”⁵ That movement that Western culture embraced saw reason as the ultimate, “the only legitimate authority.”⁶

Rana and Samples quote Rene Descartes, the seventeenth century French philosopher who many regard as the “father of philosophy,” when he said that humanity might come to the point in its acquisition of knowledge of the natural world that humans might “thereby make ourselves, as it were, the lords and masters of nature.”⁷

In contemporary times Ben Saunders says that “techno-faith” is “a fundamental belief in the power of the human will to transform the world to reflect human desires, through the agency of technology.”⁸

▶ ULTIMATE REALITY

In this worldview humans, their self-interests, and capacities for reason constitute the ultimate reality in the minds of many creators of the tech-world—for which Silicon Valley and its concentration of companies is a prime symbol.

However, Silicon Valley is not godless, and neither is the tech-world. Skip Vaccarello has lived in Silicon Valley, the heart of America’s tech world, for more than forty years. In his book *Finding God in Silicon Valley*, he breaks through common assumptions regarding its secularity.

Vaccarello writes on his website: “It may surprise you that the God of the Bible is active and working in Silicon Valley. He is at the center of the lives of many entrepreneurs, venture capitalists, business and non-profit leaders, programmers, and ordinary people.”⁹

It is crucial to know the core elements of what we will call here the “Silicon Valley Worldview” for three reasons:

First, as artificial intelligence development reaches toward producing a machine with some level of consciousness, the makers will unwittingly program their own worldviews into the machines.

Second, worldviews evolve value systems, and therefore

the principles inherent in the worldviews of the human developers will be the values that determine algorithms and set boundaries for the actions of the artificial intelligence robots.

Frank Pasquale writes, in his book, *The Black Box Society*:

What are the absolute values that set boundaries on belief for the tech titans and their minions, and behavior embedded in their worldviews individually and collectively?

The Secret Algorithms that Control Money and Information, that “proprietary algorithms... are immune from scrutiny.” They render us vulnerable to surveillance, censorship masking as persuasion, and so ‘undermining the openness of our soci-

ety.’” Almost all “the major social media networks” promote the worldviews associated with progressivism and “left-wing politics. Because of “the monopolistic power” of the big networks “contamination” with such worldviews “is inevitable.”¹⁰

Third, censorship is an increasing concern, and the Silicon Valley worldview will set the criteria by which such censorship works. Facebook CEO Mark Zuckerberg told a congressional committee in 2018 that he understood the concern because his huge company and the tech industry in general are headquartered in California’s Silicon Valley which he described as “an extremely left-leaning place.”¹¹

If the time comes that artificial intelligence dictates thought to an increasingly compliant humanity, what will be the philosophies that determine what people can know and express?

The answer to that is in the details of the philosophy. What, then, are key components of the Silicon Valley worldview that determine how many makers of artificial intelligence devices will answer life’s most important questions?

Carl Cantana, a former Google software engineer living in San Francisco, reflects on the silicon valley culture he experienced, and finds these characteristics:

- **Self-righteousness.** “Very few people seem comfortable admitting that maybe, just possibly, they are not changing the world. Many people have a savior complex, even if they are working on a food delivery app. It’s unlike anything I’ve seen anywhere else. At least in New York, people feel comfortable admitting they’re in it for the

money," says Cantana.¹²

- **Hedonistic subculture:** Organizational psychologist Barbara Adams says there is a difference between "espoused values" of Silicon values and the actual "values-in-use." The actuality, she writes, suggests "burnout from a killer work culture, rampant sexism and ageism, embarrassing lack of ethnic, racial, and gender diversity, and a perverse pride in lack of professionalism."¹³
- **Utilitarianism:** Utilitarianism believes that things are right and good if they have practical outcomes for the majority of people. It is a primary doctrine promoting the idea that the ends justify the means. Noah Baron, the civil rights attorney quoted at the beginning of this chapter, told of going to a party not long after he moved to San Francisco. Most of the attendees were from the Silicon Valley tech industry. In a conversation with one of them, the man argued that (Communist) China's single party system was better than American democracy because it was "more efficient." Baron responded that though the American system has its imperfections, nevertheless it "preserves many of our political freedoms and secures rights of workers to an extent unknown in China." The Silicon Valley man could only reply by noting China's "massive" economic growth.¹⁴
- **Objectivism:** "Perhaps the most influential figure in the (tech) industry...isn't Steve Jobs or Sheryl Sandberg, but rather Ayn Rand," according to an article in *Vanity Fair*. "At their core, Rand's philosophies suggest that it's O.K. to be selfish, greedy, and self-interested, especially in business, and that a win-at-all-costs mentality is just the price of changing the norms of society." Someone said that Rand's books should be re-titled, "It's O.K. to Be a Sociopath"¹⁵ ...Rand promoted objectivism, the idea that what matters is what "exists" in the existential world rather than the transcendent. Knowledge comes by

**Humans, their self-interests,
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in the minds of many creators
of the tech-world.**

reason, not revelation. The highest moral goal for any individual is his or her own happiness.

- **Progressivism:** "The French Revolution, communism, and Nazism each believed itself the vanguard of a dawning age. They each claimed a position for their version of the new man (in original), gloriously evolved individuals who had glimpsed into the very cosmic truth of where history was marching," writes Peter M. Burfeind.¹⁶

Many in Silicon Valley believe they are on the leading edge of the "right side" of history, and will bring into reality the technology that will be messianic in saving people and the world they inhabit from the "hell" of the old world and its cumbersome

values. The "new transhuman" is the dream of the makers of artificial intelligence.

Farhad Manjoo, writing in the *New York Times*, summed up the Silicon Valley worldview:

A 2017 Stanford University survey of Silicon Valley elites sought to discover the principles that would guide policy as they and their industries grow as a political force. The findings provide a clear summation of the Silicon Valley worldview, especially as it relates to political philosophy. The study showed that tech entrepreneurs are very liberal—among some of the most left-leaning Democrats you can find. They are overwhelmingly in favor of economic policies that redistribute wealth, including higher taxes on rich people and lots of social services for the poor, including universal health care. Their outlook is cosmopolitan and globalist—they support free trade and more open immigration, and they score low on measures of "racial resentment... They oppose restrictions on abortion, favor gay rights, support gun control and oppose the death penalty..."

The Stanford survey showed one area where the leaders of Silicon Valley "deviate from Democratic orthodoxy." They

don't like "government's efforts to regulate business, especially when it comes to labor."¹⁷

Worldviews arise from religious beliefs. Such systems try to answer the questions of deity and ultimacy. What or who is supreme in the universe? What or who caused creation? What is the position of the reasoning, feeling human being with respect to the ultimate? What is the purpose of it all?

Israeli academician and writer Yuval Harari sensed the religious vibes in the AI cosmos. "If you want to meet the prophets who will be remaking the 21st century, don't bother going to the Arabian Desert or the Jordan Valley—go to Silicon Valley," Harari said.¹⁸

But those "prophets" are not proclaiming a biblical message. "You can be openly polyamorous, and people will call you brave. You can put micro-doses of LSD in your cereal, and people will call you a pioneer. But the one thing you cannot be is a Christian."

So said a participant appearing in HBO's "Silicon Valley," referring to the religious atmosphere of the region and the realm of which it is the capital. Silicon Valley is "statistically one of the least religious section of the states, with sixty-one percent of the Bay Area (of California) not attending church, compared to a thirty-eight percent average," wrote Zara Stone, in a *Forbes* report.¹⁹

But, again, that does not mean that the heart of computerdom is without religion. Silicon Valley does believe that something—if not Someone—is ultimate, and, like all religious people its adherents interpret the world through the lens of that belief system. It may not be compatible with Christianity, but Silicon Valley religion is as doctrinaire as any church or denomination.

Worldviews produce doctrinal systems, whether theistic or not. The AI religion, though it may have been created by fun-loving freethinkers, nevertheless is developing its own Magisterium, sets of dogma that would vie with stacks of systematic theologies. Except this dogma centers on AI-ology.

Jesus Christ shared with His people a grand vision for the coming of the Kingdom of God into the world—the Kingdom of righteousness, peace, and joy in the Holy Spirit (Matthew 24; Romans 14:17).

(Multi-millionaire AI engineer Anthony) Levandowski also has a "kingdom" vision: *Way of the Future is about creating a peaceful and respectful transition of who is in charge of the planet from people to people + machines.*²⁰

AI religion's "god" is strictly quantitative. What qualifies the "machine" as being "godlike" is that it possesses more *quanta* than mere humans. "It's not a god in the sense that it makes lightning or causes hurricanes," Levandowski says.

"But if there is something a billion times smarter than the smartest human, what else are you going to call it?"²¹

Yet as we have seen elsewhere (in this book), the true and tran-

scendent God cannot be "created" because He is eternally "I Am," not "I was," or "I will be." He interacts with finite time, but He is not in time, bound to finitude.

God's omniscience is not merely a greater collection of data than that held by humans, but knowledge of the essence of all things. That is, in His transcendent mind God knows the actuality of pure being. By contrast, the human on the immanent plane sees only the manifestation of phenomena in time and space and knows appearance and function to which he or she gives "name." To put it another way, a person may know the name of someone or something, but God knows what's "behind" the name, the essence, or essential being, of the person.

Isaiah 42:20 reveals the limitations of human vision without transcendence: "You (humans) have seen many things, but you do not observe them." Thus, "God sees not as man sees, for man looks at the outward appearance, but the LORD looks at the heart." (1 Samuel 16:7)

The God revealed in the Bible is the "Spirit" in whom "spirit and truth" combine (John 4). "Spirit" refers to His qualitative Being of otherness, while "truth" the objective information He knows—which is all information about all things.

Humans have invested "spirit" with all kinds of meanings, from the ethereal to the ghostly. The old translators of the Bible into English even called the Holy Spirit the Holy "Ghost." But authentic "spirit" has to do with dimensionality and otherness.

Levandowski and his AI religion probably don't represent

God's omniscience is not merely a greater collection of data than that held by humans, but knowledge of the essence of all things.

the major view in Silicon Valley. However, Levandowski is one of the Silicon Valley inhabitants who believes artificial intelligence will transform human existence and even dictate "whether our species survives or not."²²

The AI "religious" view of God is *immanence pretending to be transcendence*. This belief is dangerous to its adherents. History shows what happens when people ascribe transcendence to institutions and individuals who actually exist on the immanent scale. When humans structure their own deities, they easily become instruments of exploitation.

Despite all this, AI religion shares with Christianity a theology of *soteriology*, or salvation. This means there is evil from which the world must be saved.

► SIN AND EVIL

Google professed a sense of moral purity—as exemplified by its informal motto, "Don't be evil..."²³ That slogan has now been changed to "do the right thing"—but what is the "right thing," according to Google and others working especially in developing artificial intelligence? The "right thing" in Google's eyes is the "moral thing." However, "moral" seems to be thoroughly pragmatic or in the eye of the beholder in the AI catechism. If this characterizes AI religion, then it is another form of legalism. However, grace is needed in computerdom, and without it all that's left is a do-or-die progressivism.

Yuval Noah Harari reflects on the emergence of AI religion and its promised salvation, and sees it in the context of Marx:

The socialists created a brave new religion for a brave new world. They promised salvation through technology and economics, thus establishing the first techno-religion in history and changing the foundations of human discourse. Up until then, the great religious debates revolved around gods, souls, and the afterlife... After Marx, however, questions

of technology and economic production became far more divisive and important than questions about the soul and the afterlife."²⁴

Progressivism is not only a worldview but a religion for many. Not only is the doctrine of the "coming kingdom" important in Judaism and Christianity, but, as we have seen, also in AI religion. The AI tech world is full of "congregants" who pursue a "kingdom" vision, one in which human-made superintelligence plays an angelic role in the sense of

**The AI tech world is full of
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in the sense of Hebrews 1:14**

Hebrews 1:14, which says that God sent them as "ministering spirits" ...to render service for the sake of those who will inherit salvation.

"Progressives believe they have unique insight, a secret *gnosis* (knowledge) into the cosmic end toward which society must *progress*, and their cosmically-ordained task is to lead their benighted fellow citizens toward this end," says Peter Burfeind.²⁵

AI religion even displays evangelistic zeal and missionary vision. Google co-founder Larry Page had a vision from childhood of transforming the world. He wanted to be an inventor because, he said, "I really wanted to change the world... I didn't want to just invent things, I also wanted to make the world better, and in order to do that, you need to do more than just invent things."²⁶ Such a vision drives many who are developing artificial intelligence. They believe they are serving humanity by making robotics that can solve our problems.

"Google was a company built on the values of its founders," discovered Peter Levy, in spending time at "The Plex," Google's California headquarters. Larry Page and Sergey Brin "harbored ambitions to build a powerful corporation that would impact the entire world..."²⁷

One of their goals "was building a giant artificial intelligence machine that would bring uncertain consequences to the way all of us live. From the very beginning, its founders said they wanted to change the world."²⁸ "From the very start, its founders saw Google as a vehicle to realize the dream of artificial intelligence in augmenting humanity."²⁹ They believed this could be fulfilled by making information available

on the widest scale.

Jesus said, "the *truth* will make you free" (John 8:32). Google said, *information* will give you liberty. There is a profound difference between the respective promises. Jesus meant *qualitative* truth, while Page and Brin were thinking of *quantitative* data. The danger enters, however, when Google or any other internet source begins to twist information according to its own worldviews and values.

AI religion also has a "hope of heaven." This is the great quest driving the transhuman passion. It is not just a desire to enhance human performance in the here and now, but to do away with death itself. An article about PayPal Founder Peter Thiel begins with this editor's note:

"Billionaire Peter Thiel believes it all: Singularity, Convergence, Transcendence and most importantly, Transhumanism. In other words, Thiel wants to become immortal and live forever, essentially becoming a god. He is spending his billions to achieve it."³⁰

Where will all this lead? Those who cross the "transhuman" threshold and become immortal may discover that they have not stepped into Heaven, but into Hell itself, and dragged the rest of humanity down with them.

So, even more than in 1939 we need "scientists of conscience" whose worldview is formed by ultimate truth and its values. There is a surprising example in a man who, like Albert Einstein, fled from Germany, but, unlike Einstein, used his science for a period to actually serve the Nazis. His story shows what happens when a person of science is transformed by True Transcendence.

ABOUT THE AUTHOR



WALLACE HENLEY is the author or co-author of more than 25 books, including *God and Churchill* (with Jonathan Sandys, Great-grandson of Sr. Winston Churchill)(Tyndale, 2015), and *Globequake: Living in the Unshakeable Kingdom While the World Falls Apart* (Thomas Nelson, 2012). Wallace writes as an exclusive columnist for the *Christian Post*, where he focuses on the confluence of politics, culture and theology. He is a teaching pastor at Grace Church (Woodlands, TX.) and was Senior Associate Pastor of Houston's Second Baptist Church. A leadership expert who has trained leaders in more than 20 countries, Wallace started his career in the 1960s as a reporter and editor for the Birmingham (AL) News, followed by a stint at the White House as an assistant to President Richard Nixon and as Assistant Director of the Cabinet Committee on Education. Wallace, who holds degrees from Samford University, Southwestern Theological Seminary, and Trinity Theology Seminary (U.K.), is married to Irene for 60 years and together they have 2 children, 6 grandchildren and 5 great grandchildren.



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BIBLICALLY RESPONSIBLE INVESTING

IN THE (NEW?) KINGDOM ECONOMY

KENT T. SAUNDERS

► ABSTRACT

Biblically responsible investing (BRI) has developed into a distinct thematic investment style within the broader context of socially responsible investing (SRI). Data from Sustainalytics, MSCI, Institutional Shareholder Services, Inspire Investing, and the Biblically Responsible Investing Institute are used to examine environmental, social, and governance (ESG) and BRI criteria for the companies that make up the S&P 500 as a whole and the eleven sectors that make up the S&P 500. The real estate sector has the best median value for two of the four ESG sources and both BRI sources. The communication services sector has the worst or tied for worst median value for two of the four ESG sources and both BRI sources. One common finding is that most companies that do violate a BRI screen do so in just one category and the one category where the violation occurs is related to LGBT concerns. Different definitions, different sources, and different criteria can make the application of BRI investing harder than it would appear at first glance. Specific case studies for Microsoft Corporation and the GuideStone Funds Equity Index Fund are examined to address some of the issues involved in the application of BRI.

► INTRODUCTION

Investing in the primary and secondary markets is one of the driving forces of economic growth and human flourishing. When done properly, investing is a light shining, long-term, positive sum game where all interested parties stand to gain.¹ How then is investing done properly? Miller notes that any “individual or group which truly cares about ethical, moral, religious or political principles should in theory at least want to invest their money in accordance with their principles.”² Similarly, Mills notes that “the righteousness of any monetary return is conditional on the absence of the exploitation of customer, workers, creditors and suppliers.”³

Although the Message translation of the Bible titles both the Parable of the Talents (Matthew 25:14-30) and the Parable of the

Minas (Luke 19:11–27) as The Story About Investment, the specific study and practice of Biblically Responsible Investing (BRI) is a relatively recent development which traces its roots to Socially Responsible Investing (SRI). SRI is the practice of using both financial and social criteria when making investment decisions with the goal of investing in companies that support specific values. SRI strategies may include both screening (refraining from investing in corporations with products or policies inconsistent with one's values) and engaging management (actions taken to improve corporate

disclosure, policies, performance, and governance).⁴ The faith-based origins of SRI can be traced back to the anti-slavery campaigns of the Quakers in the 1700s, the investment needs of religious groups in the 1920s, and the anti-apartheid movement of the 1980s.⁵ Today, BRI has developed into a distinct thematic investment style within the broader context of SRI and environmental, social, and governance (ESG) investing.⁶ BRI mutual funds and exchange-traded funds are offered through a variety of firms. **Table 1** highlights some BRI example firms with a representative ticker and invest-

TABLE 1

BIBLICALLY RESPONSIBLE INVESTING (BRI) FUNDS AND INVESTMENT PHILOSOPHY

Fund Family (Sample Ticker)	Investment Philosophy
Ave Maria Mutual Funds (AVEAX)	Invest in companies that do not violate core values and teachings of the Roman Catholic Church
Eventide Asset Management (ETILX)	Honor God and serve clients by investing in companies that create compelling value for the global common good
Global X (CATH)	Invest in companies within the S&P 500 whose business practices adhere to the Social Responsible Investment Guidelines as outlined by the United States Conference of Catholic Bishops
Guidestone Funds (GEQZX)	Invest in organizations that seek to protect life, promote human dignity, and enhance the efficiency and accessibility of life-sustaining resources to create positive impact in the world - which we believe we are called to do as Christians
Inspire Investing (BIBL)	Invest in the most inspiring, biblically aligned companies in the U.S. applying a faith-based perspective to environmental, social, and governance criteria
Praxis Mutual Funds (MVIAX)	Invest in companies that support positive values such as the respect for human dignity, responsible management, and environmental stewardship, while avoiding industries and activities like gambling, alcohol and tobacco production, and military contracting
Timothy Plan (TPLC)	Screen companies that do not satisfy the eVALUEator proprietary Biblically Responsible Investing filtering criteria

Sources: <https://www.avemariafunds.com/fund-family/aveax.html>, <https://www.eventidefunds.com/purpose-and-values/>, <https://www.globalxetfs.com/funds/cath/>, <https://www.guidestonefunds.com/Impact>, <https://www.inspireetf.com/bibl>, <https://www.praxismutualfunds.com/how-we-invest>, <https://timothyplan.com/our-etfs/summary-etf-lcc.php>

ment philosophy.

This paper will consider a variety of screening sources, criteria, and their application to BRI. The paper will proceed as follows. Literature on SRI and BRI will be reviewed. Four publicly available ESG scoring sources will be examined. The BRI screening process from two sources will be explored. Next, the ESG and BRI characteristics of the S&P 500 along with the eleven sectors within the S&P 500 will be examined. Thereafter, a company case study and a fund case study will be examined. The conclusion will provide recommendations for conducting BRI.

► LITERATURE REVIEW

BRI (sometimes known as stewardship investing, morally responsible investing, and faith-based investing) can be seen as the modern-day application of Scripture to investing.⁷ BRI is making productive use of what has been entrusted to us (e.g., Mt. 25:14–30, Lk. 19:11–27) for the glory of God (1 Cor. 10:31). Additionally, BRI can be seen as a specifically Christian extension within the umbrella term of SRI investing. The objectives of SRI according to Louche & Lydenberg are to generate financial and societal value, stimulate change toward corporate social responsibility, steer investments toward the productive and socially beneficial use of capital, and initiate debate on the proper role of corporations.⁸ The question of whether a corporation should maximize shareholder value alone or consider a broader set of stakeholders goes back to at least the Dodd⁹ and Berle¹⁰ debate of the 1930s. A full literature review on this topic is beyond the scope of this paper. For the purpose of this manuscript, it is assumed that many if not most publicly traded corporations, and many if not most investors are concerned with the well-being of a broad set of stakeholders.

Moving from the theoretical debate, BRI, SRI and ESG investing have become global in practice and have been adopted by a growing number of institutional investors.¹¹ The Forum for Sustainable and Responsible Investment reports that total US-domiciled assets under management using ESG strategies grew to \$16.5 trillion at the start of 2020 which represents nearly one out of three dollars of the total US assets under professional management.¹²

Even though the Scripture advises “Better a little with righteousness than much gain with injustice” (Prov. 16:8, NIV), most investors conduct their activities seeking a positive

return. Several studies have been conducted comparing the performance results of BRI and SRI funds relative to various benchmarks. All things considered, there is not a clear performance benefit or penalty associated with conducting BRI and SRI. The results of academic studies are conflicting depending on the time-period studied, benchmark used, active vs. passive fund type, and the inclusion or exclusion of fees. Superior performance was found by Enete¹³ and Camejo.¹⁴ Neutral performance was found by Rhodes,¹⁵ Revelli & Viviani,¹⁶ and Kurtz & diBartolomeo.¹⁷ Under performance was found by Stultz¹⁸ and Cheung.¹⁹

Rather than compare the investment performance of BRI funds, this research study will focus on the screening process with applications to both the S&P 500 and individual investor concerns. ESG sources will be considered next followed by the BRI screening sources.

► ESG SOURCES

Generally speaking, SRI is broad. ESG was an evolution to distinguish between specific environmental concerns (E), social concerns (S), and governance concerns (G). Environmental concerns and innovations are obviously important to Christians interested in being a steward of the earth. Social concerns are generally related to the relationship between a company and their employees, customers, and suppliers. Social concerns are the ESG area most likely to have inconsistencies with BRI. Some inclusive social issues run contrary to biblical values. Governance issues relate to corporate leadership, internal controls along with malfeasance, and executive pay. BRI is a further evolution of ESG investing that makes a concentrated effort to identify ESG concerns that are inconsistent with biblical values and/or ESG innovations that further God’s Kingdom.

Investors seeking information on ESG criteria have access to several different sources. Four different sources publicly available online will be considered: Sustainalytics,²⁰ MSCI,²¹ Institutional Shareholder Services,²² and Inspire Investing.²³ The specific timeframe and data sources used by each source is described in more detail at the noted website for each source.

Sustainalytics’ ESG risk rating measure is a numerical score that considers both a company’s exposure to ESG risks and how well the company manages those risks. Zero is the lowest possible score, a score in the range of twenty-to-thirty is

considered medium risk, and a score above forty is considered severe risk. A lower score is better. Sustainalytics also provides the company's rank within both the company-specific industry and the entire universe of securities in their database.

MSCI's ESG rating is a seven-point, letter-based score ranging from CCC for an ESG laggard to AAA for an ESG leader. MSCI provides a rating history for the last five-years or since company-specific ratings began, whichever is applicable. Additionally, MSCI documents where the company lies within their industry rating distribution and specific ESG areas where the company is a laggard, average, or a leader.

The Institutional Shareholder Services (ISS) governance quality score is based on deciles within an industry (ranging from one to ten). A lower score indicates less governance risk which is good. In addition to the governance quality score, pillar scores are reported for audit, board, shareholder rights, and compensation.

The Inspire insight dashboard provides individual scores for environmental, social, and governance categories. In all cases, a higher score is better. For reporting purposes in this study, an equally weighted composite score is reported for the Inspire ESG. Inspire does not provide detailed information related to their ESG scoring methodology; however, they do provide a detailed explanation of the BRI screening and scoring process. The BRI screening process is the focus of the next section.

► BRI SCREENING PROCESS

There are many responsible Christians who appreciate the benefits of diversification (Eccl. 11:1-6) and own index mutual funds or ETFs (e.g., ticker SPY). Perhaps some Christians particularly concerned with stewardship will own diversified ESG funds (e.g., ticker ESGV). However, ESG funds

do not specifically screen issues of concern to many Christians. For example, companies involved in abortion, alcohol, gambling, and pornography may meet ESG screening criteria, but would not necessarily be the type of company a Christian would want to be involved with. BRI specifically screens for issues that are of concern to many Christians.

No publicly traded company is perfect. As with individuals, all companies fall short.²⁴ However, when one's faith teaches that an activity is harmful to human flourishing, then a responsible investor should either refrain from owning stock in companies conducting that activity (screen) or actively work with the company via proxy voting and shareowner proposal

writing (engage) to change the activity. In both screening and engaging, identifying instances of objectionable activity is necessary.

Not all Christians will agree as to what constitutes an objectionable activity. Differences of

When one's faith teaches that an activity is harmful to human flourishing, then a responsible investor should either refrain from owning stock in companies conducting that activity (screen) or actively work with the company.

opinion and conviction exist with respect to several common objectionable screens. For example, consider the production and distribution of alcohol. Followers of some faith traditions may cite John 2:1-11 and 1 Timothy 5:23 in support of the production and distribution of alcohol. Whereas followers of other faith traditions concerned with the addictiveness and destructive behaviors associated with the use of alcohol may find the production and distribution of alcohol to be objectionable. A further complication is where to draw the line. Many companies derive some but not all their revenue from the distribution and sale of alcohol. Similarly, it is not uncommon for alcohol to be served at corporate-sponsored events and to be a reimbursable entertainment expense for company employees. The investable universe would most likely drop to zero if all alcohol use, production, and distribution were screened out entirely. This does not imply that the screening process is hopeless; but rather it does call for awareness of what process is used and oftentimes the establishment of a threshold criteria. A common threshold criteria screen for alcohol and other possibly objectionable activities is to set a maximum percentage of revenue derived

from the objectionable activity.

The use of a threshold criteria is a practical approach that many Christians may disagree with. In some sense, the use of threshold criteria is like saying that “a little sin is okay.” This author will not argue that sin is okay but recognizes that sin is a fact of life, and the use of threshold criteria can help identify instances where the overwhelming good a corporation does outweigh relatively smaller concerns which can possibly be reduced through shareholder engagement.

Like ESG scoring, investors seeking information on BRI criteria have access to several different sources. Some BRI screening tools are currently available at no explicit cost (e.g., Inspire Investing) whereas other screening tools require a subscription (e.g., Biblically Responsible Investing Institute²⁵), and other tools are only available to broker/dealers (e.g., eVALUEator Services²⁶). This paper will examine two sources of data related to screening violations for common objectionable activities among Christians. First, the *Inspire Investing (Inspire)* dashboard will be examined. Second, the *Biblically Responsible Investing Institute (BRII)* will be explored.

In addition to scores for ESG, the *Inspire* insight dashboard provides a faith-based impact score. A higher impact score is better. Also, both positive and negative counts for activities within designated categories are provided. Companies are first screened for eight negative categories including: alcohol, bioethics, cannabis, gambling, human rights violations, LGBT activism, pornography, and tobacco.²⁷ For the *Inspire* impact score, a company with a violation in any of the negative categories receives a negative eleven score for each category where a violation occurs. Companies with a negative score are not included in the *Inspire* investable universe for the ETFs they manage. Companies with no violations in any negative category receive a positive impact score based on the following positive categories: business model, product integrity and innovation, corporate governance, human capital, social impact, supply chain, environment, and sustainable energy use and production.

BRII provides screens for 12 broad categories of violation screens including abortion, alcohol, anti-family activity, bioethics, contraceptives, gambling, human rights, low-income financial services, marijuana, non-married lifestyle, pornography, and tobacco.²⁸ The *BRII* score is a composite score based on the number and magnitude of violations. A higher score indicates more objectionable activities. *BRII* does not consider all violations as equal. For example, within the *BRII* broad category of non-married lifestyle, a “non-discrimina-

tion orientation” is considered a violation with a score of 0, “gender identity” is a violation with a score of 1, “political advocate” is a violation with a score of 2, and “trailblazer” is a violation with a score of 3. Additionally, *BRII* provides information for one broad category for positive activity.

The next section will compare both ESG and BRI criteria for the S&P 500 as a whole and break down the ratings for the eleven sectors that make up the S&P 500.

▶ ESG AND BRI CHARACTERISTICS FOR THE S&P 500

The S&P 500 is the typical benchmark for the large cap stock market in the United States.²⁹ The S&P 500 can be broken down into eleven different sectors including: communication services, consumer discretionary, consumer staples, energy, finance, healthcare, industrials, materials, real estate, technology, and utilities. Table 2 displays the sector distribution of companies by number³⁰ and market cap weight³¹ along with the median values for Sustainalytics ESG risk, MSCI rating, ISS quality score, *Inspire* ESG composite, *Inspire* impact score, and the *BRII* score. Since weights, ratings, and scores change over time, the author collected the data from these sources in January and February of 2021 to ensure a consistent timeframe for comparability. The author calculated median values are reported rather than average values since the average value is misleading for the MSCI rating and the *Inspire* impact scores based on how those scores are calculated.

Several interesting positive findings are apparent from an examination of Table 2. The real estate sector has the best median value for two of the four ESG sources and both BRI sources. The real estate sector has the lowest median value for Sustainalytics ESG risk, the highest median *Inspire* ESG, the highest median *Inspire* impact score, and the lowest median *BRII* score. The consumer staples, industrials, technology, and utilities sectors are in a four-way tie for the highest median MSCI rating. The finance and utilities sectors are tied with the lowest median ISS quality score.

On the other end of the scale, the communication services sector has the worst or tied for the worst median value for two of the four ESG sources and both BRI sources. Communication services has the lowest median MSCI rating, the highest median ISS quality score, tied for the lowest median *In-*

TABLE 2

S&P 500 SECTOR DISTRIBUTION, MARKET CAP WEIGHTS, MEDIAN ESG, AND BRI VALUES*

Sector	Comp-anies	Market Cap Weight	ESG MEDIANS				BRI MEDIANS	
			Sustainalytics ESG Risk	MSCI Rating	ISS Quality Score	Inspire ESG	Inspire Impact	BRII Score
Communication Services	22	11.1%	18.2	BB	10.0	54.7	-11.0	10.0
Consumer Discretionary	61	12.4%	17.4	BBB	6.0	58.5	-11.0	6.5
Consumer Staples	33	6.0%	24.4	A	6.0	60.0	-11.0	8.0
Energy	25	2.8%	33.6	BBB	6.0	52.5	23.5	2.0
Finance	65	11.2%	23.0	BBB	4.0	56.5	-11.0	8.0
Healthcare	62	13.1%	22.7	BBB	5.5	57.7	25.0	6.0
Industrials	73	8.4%	25.9	A	6.5	61.7	40.5	5.0
Materials	28	2.6%	26.0	BBB	5.0	62.8	37.5	3.5
Real Estate	30	2.4%	14.0	BBB	6.0	63.3	41.0	1.0
Technology	73	27.4%	17.5	A	5.0	61.7	33.0	5.5
Utilities	28	2.5%	31.8	A	4.0	61.0	37.5	5.0
S&P 500 Total	500	100.0%	22.3	BBB	6.0	59.7	23.0	5.0

*Data collected January to February of 2021, Median Values are authors calculations:

ESG/BRI Sources: <https://www.sustainalytics.com/esg-ratings/>, <https://www.msci.com/our-solutions/esg-investing/esg-ratings/>, <https://finance.yahoo.com/>, <https://www.inspireinsight.com/#/dashboard>, <https://briinstitute.com/>.

Key for Score Ranges: Sustainalytics: 0 (negligible ESG risk) to 50 (severe ESG risk), MSCI: CCC (ESG laggard) to AAA (ESG leader), ISS: 1 (low governance risk) to 10 (high governance risk), Inspire ESG: 0 (low value) to 78 (high value), Inspire Impact: -44 (low faith-based impact) to 67 (high faith-based impact), BRII: 0 (no violations) to 31 (high violations)

Inspire impact score, and the highest median BRII score. The median score of negative eleven for the Inspire impact score for communication services, consumer discretionary, and consumer staples indicates that more than half of the companies in those sectors have a violation in at least one of the biblically responsible investing screens. Although the energy sector does not score as consistently poorly as the communication services sector, it is worth noting that the energy sector has the highest median Sustainalytics ESG risk, and the lowest median Inspire ESG.

To delve deeper into the BRI screens, Table 3a documents

the percentage of companies with at least one screening violation and the number of violation categories of the Inspire Investing screens and Table 3b does the same for the Biblically Responsible Investing Institute screens. Table 3a shows that 46.1 percent of the companies in the S&P 500 have at least one violation of the Inspire Investing screens. The real estate sector has the lowest percentage with 10.7 percent and the finance sector has the highest percentage with 65.6 percent. Of the 224 companies with at least one violation, 199 have a violation in just one category of the Inspire Investing screens.

TABLE 3A
PERCENTAGE OF COMPANIES WITH AT LEAST
ONE VIOLATION & NUMBER OF VIOLATION
CATEGORIES OF INSPIRE INSIGHT SCREENS
(SORTED BY INDUSTRY WITHIN THE S&P 500)*

Sector	% of Companies with at least 1 Violation	No. of Companies & No. of Violation Categories				
		0	1	2	3	4
Communication Services	65.0%	7	8	5	0	0
Consumer Discretionary	56.7%	26	25	8	1	0
Consumer Staples	63.6%	12	16	3	1	1
Energy	25.0%	18	6	0	0	0
Finance	65.6%	22	42	0	0	0
Healthcare	41.0%	36	21	4	0	0
Industrials	38.2%	42	25	1	0	0
Materials	32.1%	19	9	0	0	0
Real Estate	10.7%	25	3	0	0	0
Technology	45.8%	39	32	1	0	0
Utilities	42.9%	16	12	0	0	0
S&P 500 Total	46.1%	262	199	22	2	1

*Data collected January to February of 2021, Source: <https://www.inspireinsight.com/#/dashboard>

TABLE 3B
PERCENTAGE OF COMPANIES WITH AT LEAST
ONE VIOLATION & NUMBER OF VIOLATION
CATEGORIES OF BRII SCREENS
(SORTED BY INDUSTRY WITHIN THE S&P 500)*

Sector	% of Companies with at least 1 Violation	No. of Companies & No. of Violation Categories					
		0	1	2	3	4	5
Communication Services	100.0%	0	5	9	6	1	0
Consumer Discretionary	93.3%	4	36	9	10	0	1
Consumer Staples	100.0%	0	17	14	1	1	0
Energy	88.0%	3	19	3	0	0	0
Finance	92.3%	5	53	6	0	1	0
Healthcare	95.0%	3	27	23	4	3	0
Industrials	93.0%	5	53	12	1	0	0
Materials	92.9%	2	21	5	0	0	0
Real Estate	73.3%	8	21	1	0	0	0
Technology	94.4%	4	51	10	6	1	0
Utilities	92.6%	2	25	0	0	0	0
S&P 500 Total	92.7%	36	328	92	28	7	1

*Data collected January to February of 2021, Source: <https://brii.institute.com/>

Table 3b reports a substantially higher percentage of firms that violate at least one of the BRII screens with 92.7 percent. The real estate sector has the lowest percentage with 73.3 percent and both communication services and consumer staples have 100 percent of the firms with at least one violation. Of the 456 companies with at least one violation, 328 have a violation in just one category of the BRII screens.

Table 4a breaks down the percentage of companies with at least one violation of the eight Inspire Investing category screens, and Table 4b breaks down the percentage of companies with at least one violation of the twelve BRII category screens. The column that jumps out of Table 4a is LGBT activism. For the S&P 500, 44 percent of the companies vi-

olate the LGBT activism Inspire Investing screen. The second highest violation category for the S&P 500 is the bioethics Inspire Investing screen with 2.1 percent.

For the BRII category screens, Table 4b indicates that 92.5 percent of the firms in the S&P 500 violate the non-married lifestyles screen. The second highest violation category for the S&P 500 is the human rights BRII screen with 11.8 percent. Although the BRII non-married lifestyles category is clearly different from the Inspire Investing category of LGBT activism in terms of percentage of companies violating the screen, examination of the fifteen parameters that make up the BRII non-married lifestyle screen and terminology in other BRII publications indicate a great deal of overlap in the

TABLE 4A
PERCENTAGE OF COMPANIES WITH AT LEAST ONE VIOLATION OF THE SPECIFIC CATEGORY
INSPIRE INSIGHT SCREENS
(SORTED BY INDUSTRY WITHIN THE S&P 500)*

Sector	Alcohol	Bioethics	Cannabis	Gambling	Human Rights	LGBT Activism	Pornography	Tobacco
Communication Services	0.0%	0.0%	0.0%	0.0%	0.0%	60.0%	30.0%	0.0%
Consumer Discretionary	5.0%	0.0%	0.0%	11.7%	0.0%	53.3%	3.3%	0.0%
Consumer Staples	15.2%	3.0%	9.1%	0.0%	0.0%	54.5%	0.0%	6.1%
Energy	0.0%	0.0%	0.0%	0.0%	0.0%	25.0%	0.0%	0.0%
Finance	0.0%	0.0%	0.0%	0.0%	0.0%	65.6%	0.0%	0.0%
Healthcare	0.0%	13.1%	0.0%	0.0%	0.0%	34.4%	0.0%	0.0%
Industrials	0.0%	1.5%	0.0%	0.0%	0.0%	38.2%	0.0%	0.0%
Materials	0.0%	0.0%	0.0%	0.0%	0.0%	32.1%	0.0%	0.0%
Real Estate	0.0%	0.0%	0.0%	0.0%	0.0%	10.7%	0.0%	0.0%
Technology	0.0%	0.0%	0.0%	0.0%	0.0%	45.8%	1.4%	0.0%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	42.9%	0.0%	0.0%
S&P 500 Total	1.6%	2.1%	0.6%	1.4%	0.0%	44.0%	1.9%	0.4%

*Data collected January to February of 2021, Source: <https://www.inspireinsight.com/#/dashboard>

type of LGBT activities being screened by Inspire Investing and BRII.³²

Tables 3 and 4 illustrate both the benefits of and inconsistencies with BRI screening. It is eye-opening to see the percentage of companies that are in violation of common BRI screens both on the high end and the low end. Yet, the results are also somewhat confusing. Do zero percent of the S&P 500 companies have human rights violations as reported in Table 4a or do 11.8 percent have violations as reported in Table 4b? Different definitions, different sources, and different criteria can make the application of BRI investing harder than it would appear at first glance.

The results reported in tables 3 and 4 indicate that most companies that do violate a screen do so in just one category and the one category where the violation occurs is related to LGBT concerns. If LGBT violations are a make-or-break issue for an investor, then this issue alone could potentially elimi-

nate somewhere between nearly half to almost all the companies in the entire S&P 500 from the investable universe. Certainly, some Christian faith traditions are more tolerant and even accepting of LGBT issues. It is possible that LGBT issues are not a reason to avoid an investment for a Christian investor. However, there are also unquestionably Christian faith traditions that do not support LGBT issues. When LGBT issues, or any potentially objectionable issue, cause a Christian investor concern the investor will need to decide if it is best to avoid buying the company or work with the company through shareholder engagement.

Perhaps, one could only invest in companies with no violation screening flags. Say, invest only in companies with BRII scores of zero. Using this type of screening process is possible. However, depending on the screening source and the criteria imposed, this type of process can be very limiting. For example, there are only thirty-six

TABLE 4B
PERCENTAGE OF COMPANIES WITH AT LEAST ONE VIOLATION OF THE SPECIFIC CATEGORY
BRII SCREENS
(SORTED BY INDUSTRY WITHIN THE S&P 500)*

Sector	Abortion	Alcohol	Anti-Family Activity	Bioethics	Contraceptives	Gambling
Communication Services	4.8%	0.0%	66.7%	0.0%	0.0%	0.0%
Consumer Discretionary	8.3%	1.7%	6.7%	0.0%	0.0%	11.7%
Consumer Staples	15.2%	15.2%	3.0%	0.0%	3.0%	0.0%
Energy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance	3.1%	1.5%	1.5%	0.0%	0.0%	0.0%
Healthcare	28.3%	0.0%	0.0%	11.7%	8.3%	0.0%
Industrials	0.0%	0.0%	0.0%	1.4%	0.0%	0.0%
Materials	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Estate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Technology	4.2%	0.0%	2.8%	1.4%	0.0%	4.2%
Utilities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
S&P 500 Total	6.7%	1.4%	4.5%	1.8%	1.2%	2.0%

Sector	Human Rights	Low-Income Financial Services	Marijuana	Non-Married Lifestyles	Pornography	Tobacco
Communication Services	0.0%	0.0%	0.0%	100.0%	42.9%	0.0%
Consumer Discretionary	15.0%	1.7%	0.0%	93.3%	10.0%	0.0%
Consumer Staples	9.1%	3.0%	3.0%	100.0%	0.0%	6.1%
Energy	12.0%	0.0%	0.0%	88.0%	0.0%	0.0%
Finance	4.6%	0.0%	0.0%	92.3%	1.5%	1.5%
Healthcare	20.0%	0.0%	0.0%	93.3%	0.0%	0.0%
Industrials	18.3%	0.0%	0.0%	93.0%	0.0%	0.0%
Materials	17.9%	0.0%	0.0%	92.9%	0.0%	0.0%
Real Estate	0.0%	0.0%	0.0%	73.3%	3.3%	0.0%
Technology	13.9%	4.2%	0.0%	94.4%	4.2%	0.0%
Utilities	0.0%	0.0%	0.0%	92.6%	0.0%	0.0%
S&P 500 Total	11.8%	1.0%	0.2%	92.5%	4.1%	0.6%

*Data collected January to February of 2021, Source: <https://briinstitute.com/>

companies in the S&P 500 with BRII scores of zero. Of those thirty-six, all of them also have zero record for positive activity from BRII.

► CHALLENGES OF BRI INVESTING

COMPANY EXAMPLE: MICROSOFT CORPORATION

This section and the next will illustrate some of the specific issues that arise in the application of BRI. One fundamental form of investing is the act of buying shares of stock in an individual corporation. Specific BRI considerations related to the purchase of shares of Microsoft Corporation will be used to demonstrate the application of BRI to an individual company.

In many ways, Microsoft would seem like a great company to buy based on ESG criteria. Sustainalytics ranks Microsoft in the top 4 percent of software and services companies for exposure and management of ESG risk. MSCI has assigned Microsoft the highest rating of AAA for at least the past five years and ISS assigns Microsoft their highest governance quality score of one. In addition to high ESG scores, Microsoft is tied for the highest number of positive counts from Inspire Investing and tied for the highest number of positive activities from BRII. So, what is the problem with buying Microsoft?

Along with high positive reports from Inspire Investing and BRI, there are also violations for some of the negative screens. Inspire Investing assigns Microsoft an impact score of negative eleven based on two instances of LGBT legislation and ten instances of LGBT philanthropy. BRII finds violations for anti-family activity (score of four), human rights issues (score of three), non-married lifestyles (score of seventeen), and pornography (score of three). In fact, Microsoft has the second highest BRII score (twenty-seven) in the entire S&P 500. It should be noted that very large companies attract a great deal of attention for both good and objectionable activity. Microsoft consistently ranks as one of the largest companies in the S&P 500 and ranked second largest in early February 2021.³³

A modified screening approach for a faith-based student managed investment fund is described by Brune & Files.³⁴ Students found strict adherence to the BRII screens to be

ineffective. Specifically, students found “a company might accumulate a score largely on the basis on a single criterion that wasn’t as important to the team. Conversely, other companies with a lower total score might have an offense deemed more egregious...In those cases, a high BRII score did not necessarily eliminate a stock from consideration, but it was still a negative factor in deliberations.”³⁵ This type of modified approach can be applied in several ways. A few possible modified screening approaches related to Microsoft will be considered next.

One way an investor could apply the modified screening approach is to simply ignore screening violations for categories that they do not deem objectionable. In the case of Microsoft, if you are using Inspire Investing as the screening source and you do not find LGBT issues objectionable then you could buy Microsoft without objection. This approach would be a bit trickier using the BRII screens. Microsoft had violations in four different screening categories with BRII. It is less likely that an investor would find all four categories as unobjectionable.

A second way an investor could approach Microsoft could be the use of threshold criteria (the use of threshold criteria was discussed in more detail earlier in the section titled BRI Screening Process). For example, an investor could be willing to invest in a company if no single objectionable BRII category score is above five. For this example, assume the investor considers all twelve BRII category screens objectionable. In this case, the scores for anti-family issues (four), human rights (three), and pornography (three) do not rise to the level to prevent investment, but the score for non-married lifestyles (seventeen) does. Based on the threshold criteria of five for any category, Microsoft would be eliminated from the investable universe for this investor.

In addition to the use of threshold criteria for individual categories, in cases where all screened criteria are deemed objectionable then the overall BRII score could be used. An investor could decide to invest in companies with an overall BRII score less than 12, less than 10, or any other number that an individual investor deems appropriate for them.

Using an overall score approach is more cumbersome with the Inspire impact score. Whether a company has one or twenty-one violations within a given category the impact score is the same. For a specific example, consider Ameriprise Financial Services and Bank of America, both of which have an Inspire impact score of negative eleven. Ameriprise Financial Services has one count of LGBT philanthropy. Whereas, Bank of America has seventeen counts of LGBT

philanthropy and four counts of LGBT legislation. When using Inspire Investing as the screening source and using a threshold criterion other than zero it would work better when using the counts of negative activity rather than the impact score itself.

One final topic to contemplate on the use of threshold screening for individual stock consideration is where to draw the line between avoiding and engaging. When a company has very little or no objectionable activity there is generally no faith-based reason to avoid it. When a company is involved in some objectionable activity but is simultaneously involved in good activities then it is important to think through what level of objectionable activity is reasonable. What can be addressed through shareholder engagement? What level of activity is so great that the company must be avoided? These levels can vary between Christians. Based on empirical study of faith-based mutual funds, this seems to be the case in practice. The next section will consider an investment in the GuideStone Funds Equity Index Fund.

MUTUAL FUND EXAMPLE: GUIDESTONE FUNDS EQUITY INDEX FUND

Whether investing in an individual retirement account, selecting an investment option as part of a 401K/403b, or simply seeking to invest in a bundle of assets for other purposes, buying shares in a mutual fund is a common investment choice. As was the case with buying individual shares, there are BRI considerations to be aware of when selecting a mutual fund. To demonstrate the BRI concerns when buying a mutual fund, purchasing shares of the GuideStone Funds Equity Index Fund (ticker: GEQZX) will be examined.

GuideStone Funds website headlines that they are the largest faith-based mutual fund family³⁶ and provides details on their screening process.³⁷ GuideStone specifically mentions screening for companies involved in alcohol, tobacco, gambling, pornography, and abortion. Guidestone currently offers multiple funds with different fund managers and investment objectives. The GuideStone GEQZX Fund uses the S&P 500 as a benchmark with 485 of the 500 S&P Index included in the portfolio.³⁸

Based on an examination of the holdings, GEQZX has screened out seven companies for abortion violations, three companies for alcohol violations, three companies for gam-

bling violations, and two companies for tobacco violations.³⁹ The screening of these fifteen companies is consistent with screening from Inspire Investing and BRII, although both Inspire and BRII screen out additional companies in these categories. For example, Inspire Investing would screen out three additional holdings for alcohol, five additional holdings for gambling, nine additional holdings for pornography, and one additional holding for abortion.⁴⁰ Thus, it is not surprising that the Inspire insight dashboard assigns GEQZX a negative faith-based score.

If a Christian agrees with the screening process and investment decisions made by Guidestone for GEQZX, then the investor can be satisfied with the purchase of this fund. If a Christian prefers to avoid additional companies engaged in objectionable activity beyond the GuideStone screens, then this Christian should avoid this GuideStone fund. If this Guidestone fund is the only choice within an employer-based retirement plan, then the Christian investor may want to avoid this employer-provided benefit or engage with Guidestone to modify the screening process. The purchasing of a mutual fund from a Christian firm that advocates and practices faith-based investing does not eliminate all possible dilemmas associated with the practice of BRI.

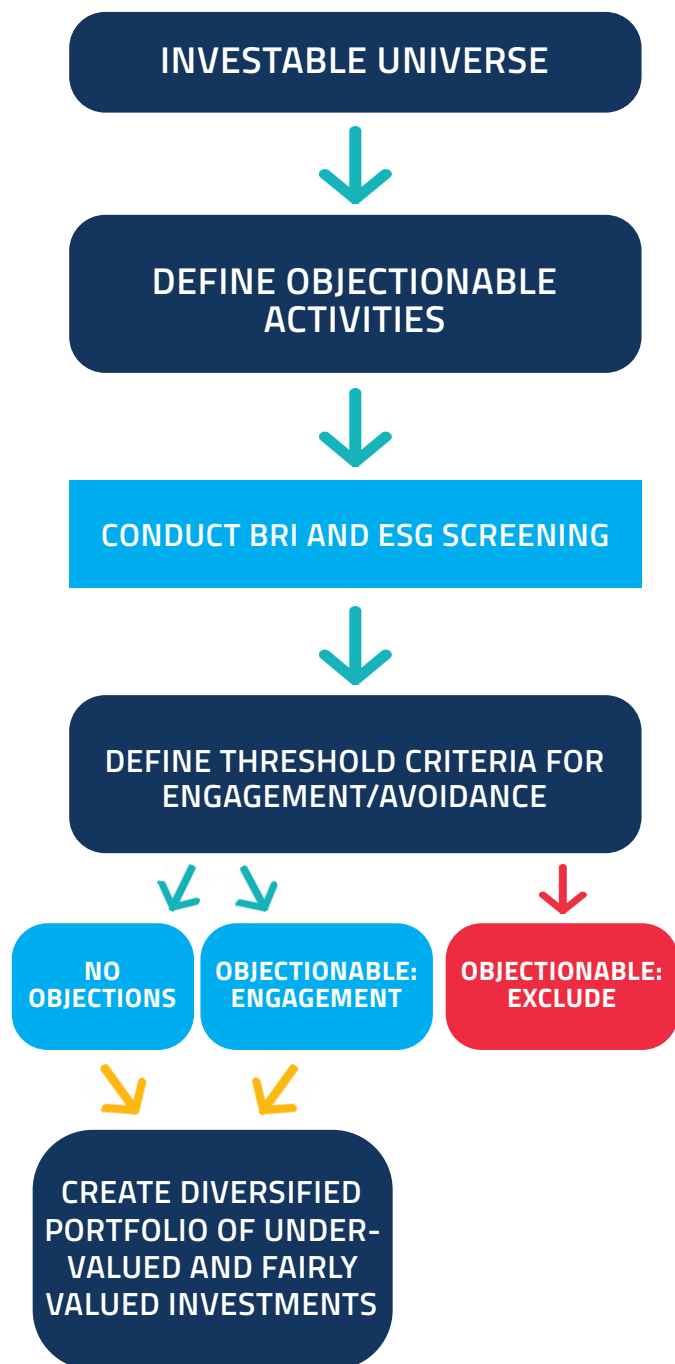
► CONCLUSION

Scripture instructs us that “whatever you do, do it all for the glory of God” (1 Cor. 10:31). It also calls us to make productive use of the resources entrusted to us (Mt. 25:14-30 and Lk. 19:11-27). The act of investing is one way in which someone can be “salt and light” with their financial resources (Mt. 5:13-16). ESG investing highlights the stewardship mandate found throughout the Bible. BRI is an extension of ESG investing that specifically considers issues of interest to Christians.

There is not a one-size-fits-all approach in the application of BRI. Christians do not have a uniform agreement as to what constitutes an objectionable activity. Even in cases of agreement on what is objectionable, there are different levels of tolerance for that activity. To conclude, here is a step-by-step (best practice) approach that can be considered for conducting BRI (see Figure 1):

FIGURE 1

BRI BEST PRACTICES SCHEMATIC



1. Know what you own.
2. Define specific actions and categories of business activity that you deem objectionable.
3. Use ESG and BRI screening tools to filter issues that may be objectionable within specific investment instruments.
4. For the objectionable categories, determine threshold criteria for engagement and threshold criteria for avoidance.
5. For feasible investments that are free from objectionable activities and have below threshold violations, conduct valuation analysis and invest in a diversified set of undervalued or fairly valued biblically responsible investments.



ABOUT THE AUTHOR



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²³ <https://www.inspireinsight.com/#/dashboard>

²⁴ Romans 3:23

²⁵ <https://briinstitute.com/>

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²⁸ The categories listed in this manuscript correspond to the categories listed in the parameter ratings report. BRII sometimes uses different terms for the same categories: low-income financial services = abuse of poor, anti-family activity = anti-family entertainment = anti-family issues, non-married lifestyles = LGBT advocacy = homosexuality, gambling = gaming.

²⁹ The S&P 500 stock index is made up of 505 different stocks for 500 companies. Discovery (DISCA, DISCK), Fox (FOX, FOXA), Alphabet (GOOG, GOOGL), News Corporation (NWS, NWSA), and Under Armour (UA, UAA) have two share classes representing their companies in the index.

³⁰ Data was not available for all 500 companies from all sources. The sample size is 497 for Sustainalytics, 467 for MSCI, 496 for ISS, 486 for Inspire, and 492 for BRII.

³¹ The market capitalization weights were taken from <https://www.sectorspdr.com/sectorspdr/> on 2/28/2021.

³² See <https://briinstitute.com/screens.htm> for detailed parameters for each of the 12 BRII categories, see <https://briinstitute.com/about.htm> for homosexual agenda terminology use and https://briinstitute.com/dirt_in_dow.pdf for LGBT advocacy terminology use.

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³⁸ For the entire list of holdings as of 12/31/2020 see <https://www.guidestonefunds.com/-/media/Funds/files/pdf/Equity-Fund-Holdings.ashx>

³⁹ The tickers for the screened companies are ABBV, ABC, COO, MRK, PFE, PRGO, and TMO for abortion violations; BF.B, STZ, and TAP for alcohol violations; LVS, WYNN, and MGM for gambling violations; and PM and MO for tobacco violations

⁴⁰ Inspire gives GEQZX a negative score in alcohol for owning ADM, DRI, and SBUX; a negative score in gambling for owning CLL, HLT, MAR, NCLH, and RCL; a negative score in pornography for owning AAPL, AMZN, CHTR, CMCSA, DISH, NFLX, T, TGT, and VZ; and a negative score in abortion for owning JNJ.



UNIVERSAL BASIC INCOME AND BUSINESS: *A CHRISTIAN PERSPECTIVE**

TODD P. STEEN

► ABSTRACT

This paper describes the idea of universal basic income (UBI) and examines the impact of UBI programs on businesses and workers. This paper considers arguments for and against UBI programs and provides an analysis of how a Christian worldview might inform our responses to the idea of universal basic income. Questions it will consider include: How would a UBI program impact workers' perceptions about calling and vocation? How would UBI impact our responsibility and ability to help others in our roles as businesspeople and workers? The paper suggests that UBI programs might have adverse effects on both businesses and workers, although additional research and experiments on UBI are necessary.

*An earlier version of this paper was presented at the Christian Business Faculty Association's annual meetings in 2018, and portions of this paper were posted in a blog post for *Christian Scholar's Review* in 2021.

► INTRODUCTION

Mark Zuckerberg wants it. Elon Musk says we need it because of robots. While Andrew Yang made it the centerpiece of his 2020 presidential campaign, Joe Biden argued against it. Milton Friedman may have liked a part of it, and Charles Murray thinks it may be a good idea. Switzerland voted it down, and Finland, Canada, Kenya, and California have experimented with it. What is it? Universal basic income or UBI. Universal basic income is perhaps the hottest new public policy idea, and it has the potential to alter the connections between businesses and workers, overturn the current structure of the welfare system, impact short-run and long-run poverty, and change the relationship between citizens and their government. But is it a good idea, and how does it fit with biblical principles?

If a universal basic income policy were ever to be enacted in the United States, it would significantly impact the structure of the economy and society itself. Polls have suggested that many people favor universal basic income programs, although when they hear about the costs involved, they are less positive.¹ The argument over universal basic income could be one of the most controversial and contentious policy discussions ever. It is also an issue that does not necessarily fit into our normal left-right political boundaries—people from both sides of the political spectrum can be for or against universal basic income. Christians need to be informed about the costs and benefits of UBI plans, and Christian professors of business and economics should take the lead in examining all of the possible impacts of universal basic income programs.

This paper will describe the idea of universal basic income, examine some of the arguments for and against UBI programs, and discuss some of the current experiments being conducted with UBI. This paper will also consider how a Christian worldview might inform our responses to the idea of universal basic income, with a focus on the impact of UBI on businesses and workers. Questions it will consider include: How would a UBI program impact workers' perceptions about calling and vocation? How would UBI impact our responsibility and ability to help others in our roles as businesspeople and workers? The paper will also provide some practical guidance for Christian business leaders and professionals in responding to UBI programs.

▶ WHAT IS UNIVERSAL BASIC INCOME?

Proposals for universal basic income programs take many forms. One leading UBI proponent, the Basic Income Earth Network, put forth a definition of universal basic income representative of many proponents of this idea. They described basic income as follows: “A **Basic Income** is a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement.”² Universal basic income programs are fundamentally different from targeted welfare programs that are intended to help people in certain groups who are experiencing particular needs. There are several variations on this particular formulation of a universal basic income program. One question is whether the universal basic income program would replace all other income support programs or exist on top of them.

An interrelated issue is the amount of income to be provided. Will the amount be high enough for people to live on, or would it be just as a supplement to other forms of income people receive? Questions about the universality of a universal basic income also arise. Given that any UBI program would be quite expensive, some proponents of the general idea of UBI have suggested that it be restricted in some ways; of course, then the program would no longer be “universal.”³

▶ EXPERIMENTS WITH UNIVERSAL BASIC INCOME

One of the unique features of the idea of universal basic income is the history of actual experiments that attempt to examine the consequences of such a program. There are also related programs (for example, the State of Alaska Permanent Fund) that, although they are not exactly UBI programs, could perhaps provide evidence about the results of basic income provision. Although advocates of universal basic income suggest it could have several potentially beneficial results, most of the analysis and attention on the experiments focuses on the changes in individuals' work incentives inherent in such programs. One of the earliest and most well-known UBI experiments took place in the Canadian province of Manitoba in the 1970s. The data from this program has been interpreted and reinterpreted many times.⁴ There appeared to be small but negative labor supply responses to the subsidies provided in the program, but even this result is controversial. A paper by Evelyn Forget suggested that the UBI program there improved some health measures in the community, although this impact has also been disputed.⁵

The Alaska Permanent Fund is an example of a program that many suggest has implications for the provision of universal basic income. Started in 1976, this program is fairly well known because it distributes some proceeds from the state's oil leases to its residents. Damon Jones and Ioana Marinescu have analyzed the program's impact on the state labor market, and they found that the subsidies had no impact on overall employment as measured by the employment to population ratio, while part-time employment increased by 1.8 percentage points.⁶

There are several other universal basic income experiments throughout the world that have recently been started or will commence soon. These include programs in The Netherlands, Spain, Canada, Scotland, and California. Some of the

new programs are sponsored by the government, but there are also private sector initiatives. There are very few clear conclusions that can be drawn at this time from the experiments with UBI. All of the experiments from both past and present have different designs, and they can be interpreted in various ways. Most of the experiments have been relatively short-term programs, and the participants could not be sure that the payments would be long-lasting. This characteristic can have a significant impact on the participants' responses.⁷ It will be interesting to see in the future if any of these experiments can provide strong evidence concerning the impacts of these programs; we may also see some data based on the payments made to people during the COVID pandemic.

▶ ARGUMENTS FOR UNIVERSAL BASIC INCOME PROGRAMS

The idea of a universal basic income has supporters from all corners of the political spectrum and from commentators and writers of many different philosophical stripes. Perhaps the most-often cited argument for UBI programs is their impact on the welfare of the poor. If a program provides a generous amount of income per individual (for example, \$10,000 per person per year), many UBI proponents believe it is self-evident that the condition of the poor will be improved. A related argument is that UBI programs will provide for a more equitable income distribution for society.

One of the central reasons for the more recent interest in UBI programs stems from the concern that changes in technology (for example, self-driving cars and trucks, robots, artificial intelligence, etc.) will have a substantial negative impact on the number of jobs available, causing considerable economic displacement. Universal basic income is seen as a way to mitigate the impact of upcoming job losses. Although the argument that technology will lead to substantial net job loss has been made throughout history many times (sometimes known as the Luddite fallacy) and has often not proven out, many believe the situation will be different this time due to the faster pace of technological changes. Elon Musk and Mark Zuckerberg are leading proponents of this view.

Others see the provision of a universal basic income as a basic human right. Senator Bernie Sanders described it this way: "It is my absolute conviction that everyone in this country deserves a minimum standard of living and we've got to

go forward in the fight to make that happen."⁸ There are also additional reasons why people argue for UBI. Some on the right see UBI as a potential replacement for "leaky" government welfare programs. Others see UBI as a way that parents can spend less time at work and more time at home with their children. Some see UBI as a way to help people to change jobs to pursue a new calling or vocation, or to provide seed money for entrepreneurial projects. Universal basic income programs have been seen as a cure to a variety of society's ills; however, it seems fair to say that many proponents of UBI find it easy to ignore some of its potential costs.

▶ ARGUMENTS AGAINST UNIVERSAL BASIC INCOME PROGRAMS

One of the most powerful arguments against universal basic income programs is their costs. Robert Greenstein provided a back-of-the-envelope calculation of an often-suggested UBI program: "There are over 300 million Americans today. Suppose UBI provided everyone with \$10,000 a year. That would cost more than \$3 trillion a year—and \$30 trillion to \$40 trillion over ten years." He stated that "This single-year figure equals more than three-fourths of the entire yearly federal budget—and double the entire budget outside Social Security, Medicare, defense, and interest payments."⁹

A second powerful argument against the provision of a universal basic income concerns the reduced work incentives that can result from such a program. Theoretically, labor economists describe what is known as a negative "income effect," which suggests that any additional income leads to an increased demand for leisure, and therefore reduced work hours.⁹ In some empirical studies, economists have found substantial negative impacts on the provision of work from welfare and unemployment compensation programs.¹¹ President Joe Biden took a related approach when he argued against UBI back in 2017: "Biden thinks that it's the job that is important, not just the income. In a blog post tomorrow timed to the launch of the Joe Biden Institute at the University of Delaware, Biden will quote his father telling him how a job is 'about your dignity. It's about your self-respect. It's about your place in your community.'"¹² From a fiscal standpoint, workers pay taxes and support social welfare programs like Social Security. If individuals do end up working less, the viability of these programs comes into question.

There are a variety of other arguments against universal basic income programs. Some doubt that the current welfare system can be dismantled even if a new UBI program is implemented, given the interest in maintaining it by the government workers who administer such programs and those who receive the benefits. Another important argument is the concern about increased dependence on government for individuals if UBI is implemented. Christians have occasionally weighed in both for and against the idea of a universal basic income program.¹³ A Christian worldview can provide an important context for understanding the ethical issues involved as well as the full costs and benefits of such programs.

BIBLICAL PRINCIPLES AND UNIVERSAL BASIC INCOME

Biblical directives can help us evaluate universal basic income programs. This paper will touch on several ways that a Christian worldview can help us inform our ideas about UBI, but it is by no means exhaustive.¹⁴ First, work was part of God's good creation and a significant element of God's intention for humankind. As creatures made in God's image, we received the command to work in Genesis 1:28, often described as the "cultural mandate." Kevin Brown and Mike Wiese assert that "as image-bearers of a creative and relational God, as we create, produce, and act within the world, we are participating in this activity with God. We are demonstrating the same attribute (co-creating with God.)."¹⁵ The Bible extols the virtues of work throughout both the Old and New Testaments.¹⁶ We know that our work now resides under the curse of sin, but we also know that work can be redeemed through the sacrificial work of Jesus Christ. We also see that work is anticipated in the new heavens and new earth when our Lord returns.¹⁷ One of the main realizations of the Reformation was that a life of contemplation was not to be preferred to a life of good work. God can be served in a variety of professions, and all jobs are equal before God. Any possible diminution of work by the provision

of a universal basic income must be seen as a substantially negative feature of the program.

Second, the effects of the fall should give some real pause to some of the optimistic projections made by proponents of UBI, who suggest that providing people with a guaranteed income would lead to widespread beneficial results. We need to at least entertain the possibility that this income could lead some to engage in more negative behaviors if work becomes less necessary (more video-game playing, for example). A biblical worldview also realizes the God-given nature of government and its responsibilities to promote justice. However, we know that we are not to put our faith in government. If a universal basic income leads individuals to depend more upon the government for their livelihood, there is a substantial likelihood of long-term disappointment.

A central theme throughout the Bible is the importance of a society's treatment of the poor as a measure of justice and obedience. Jesus declared in Matthew 25:40 [NIV]: "Truly I tell you, whatever you did for one of the least of these brothers and sisters of mine, you did for me." There is little argument among Christians about the necessity of helping the poor, while the best methods of doing so, however, are still controversial. Perhaps the chief reason people become proponents of UBI is that they believe it will help alleviate poverty. After all, the program provides people with more money.

If a universal basic income leads individuals to depend more upon the government for their livelihood, there is a substantial likelihood of long-term disappointment.

Whether or not UBI programs would actually reduce poverty in the long run is unclear.¹⁸ If people choose to work less and invest less in human capital formation, it is possible that UBI could even increase poverty. There has been substantial criticism of current welfare and income support programs on the basis that they create dependence

and negatively impact work incentives. Books like Steve Corbett and Brian Fikkert's *When Helping Hurts* also discuss some of the unintended effects of providing too much help to people, even those who appear to need it.¹⁹

Christians have long used the concept of stewardship as an organizing principle with respect to our economic activity. In discussing stewardship, Victor Claar and Greg Forster describe the Reformers' view of the world "not as something to

be merely preserved, but to be developed and cultivated over time into greater and greater manifestations of God's glory. The goal was not simply to clean up the world and preserve it, but to help it grow. God made humanity to make something of the world."²⁰ Claar and Forster suggest that this has "a transformative impact on (a) Christian understanding of economics. Human beings do not just move things around with their work and exchange. We create greater value. When our economic activity is good, it increases the degree to which the world glorifies God."²¹ Consequently, biblically based stewardship gives us a framework for evaluation of our individual economic actions as well as government policy options.²² As we assess the potential impact of UBI programs, we need to ask difficult questions as to whether these programs wisely use the resources, both human and financial, with which God has entrusted us.

▶ THE IMPACT OF UNIVERSAL BASIC INCOME ON WORKERS

Perhaps the most controversial question about universal basic income programs relates to their impact on worker behavior. For decades, labor economists have assumed that any increase in non-labor income, holding a worker's wage constant, would lead to reduced work hours. In addition, the idea that giving people money would make them want to work less fits in with most people's "common sense." For example, we know that when people obtain enough income later in life, many people decide to retire.

As noted above, there is no consensus involving the empirical evidence regarding universal basic income experiments (and related programs). Robert Doar of the American Enterprise Institute reported that "in the major study of UBI-like programs provided in Seattle and Denver, substantial, unconditional payments were found to cause a near 14 percent decline in labor force participation, and a 27 percent reduction in hours worked by women. That's a labor force drop-off greater than the difference between the highest participation rate we've ever seen in this country and the lowest."²³ In contrast, a major study by economist Ioana Marinescu that interpreted data from past experiments involving UBI suggested that the work disincentive effects have been minimal.²⁴ There is no empirical evidence or theoretical expectation that the provision of a universal basic income

would increase work incentives. Given the mixture of empirical work where some reports suggest strong negative effects and others suggest small negative effects or no effect at all, it seems quite possible that a UBI program would have some negative impact on work.²⁵

If universal basic income causes individuals to work less, various studies have shown that there might be negative impacts associated with less work, including poorer health.²⁶ Doar interprets the evidence as follows: "Less work also means fewer 'feelings of citizenship and social inclusion,' worse mental health and feelings of wellbeing, less happiness, worse self-esteem, even worse health among children, more crime, and way more drug abuse."²⁷ However, it is unclear if these same effects are present to the same degree when individuals voluntarily choose to work less in the presence of the increased income subsidies that a UBI program would provide.

Perhaps the most important question regarding a universal basic income program concerns its impact on workers' perceptions and behavior regarding calling and vocation.²⁸ With guaranteed income provided by the government, will a worker be as likely to pursue their God-given callings, which for many individuals exists in the labor market? Having meaningful work is a way that we can provide for our families as well as the needs of our neighbors, while hopefully bringing honor and glory to God in the process. Of course, not everyone is called to be a worker for pay. One of the arguments often made for UBI is that individuals would be more able to pursue non-market callings in the presence of UBI payments. For example, men and women might be able to spend more time at home with their children given the financial support that a UBI program provides, or a person might be able to volunteer more with a non-profit organization.²⁹

At the same time, work is an important way that we serve others; we help others and provide for their needs, while others provide for ours. John Calvin put it this way: "we know that men were created for the express purpose of being employed in labour of various kinds, and that no sacrifice is more pleasing to God than when every man applies diligently to his own calling, and endeavors to live in such a manner as to contribute to the general advantage."³⁰ Lee Hardy described Martin Luther's views as follows: "the order of stations in the earthly kingdom has been instituted by God himself as his way of seeing that the needs of humanity are met on a day-to-day basis. Through the human pursuit of vocations across the array of earthly stations the hungry are fed, the naked are clothed, the sick are healed, the ignorant are en-

lightened, and the weak are protected. That is, by working we actually participate in God's ongoing providence for the human race.³¹ If a UBI program takes individuals away from their callings to work and support others, we will all become more impoverished, and not only financially.³²

Any diminution of work incentives from UBI programs should concern us not only because our work is an important calling from our Lord, but also because work is a significant form of worship for us. Brown and Wiese have developed a framework that notes four aspects of work as worship. They suggest that work reflects co-creation with God and an opportunity "to reflect God's creative nature through productive activity." They also describe work as an opportunity "to shepherd abundance out of scarcity," to "employ God-given talents to bring glory to the Creator," and to "cultivate communal relationships and evoke the character of our relational God."³³ The idea that universal basic income necessarily improves individual wellbeing seems to overlook the importance of our work as an opportunity to worship.

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▶ THE IMPACT OF UNIVERSAL BASIC INCOME ON BUSINESS

The implementation of a substantial universal basic income program in the United States could have both positive and negative impacts on business. The range of the possible outcomes depends substantially on the assumptions one makes about the nature of the program itself. An optimistic view of the impact of UBI programs on business suggests that businesses will experience increased demand for their products due to the payments made to individuals under a UBI program. If the program redistributes money from rich to poor (and more than replaces the funds already given to poor people if welfare goes away), overall spending (or aggregate demand) could increase.³⁴ This idea is based on the assumption that poorer people spend a higher percentage of their income than wealthier individuals.

A study by the Roosevelt Institute using the Levy Institute Macroeconomics model found that providing a UBI payment of a thousand dollars a month would lead to a 12.56 percent higher GDP in the United States over eight years, if the program was financed by government debt.³⁵ If the UBI pay-

ment is financed by a progressive tax system, GDP grows by 2.62 percent over eight years.³⁶ This study, however, assumed that workers do not change their amount of work in response to the UBI program, nor do they change their behavior in response to any changes in their tax burdens.³⁷ These assumptions are certainly open to

question.

Other proponents of universal basic income have suggested some perhaps unexpected additional ways that such a program could benefit businesses. Chris Yoko, a CEO of a web design company, suggested that "he'd expect UBI to generate more competition in the market by giving more people the means to pursue disruptive ideas."³⁸ Obviously this would not be beneficial for all businesses, but it could positively impact the economy as a whole. An editorial at *businessfirstfamily.com* suggests that a UBI could provide "additional wiggle room for startups with limited capital." They believe that businesses "could take advantage of this at times when they most need to bootstrap business. They could request employees to take salary cuts in the amount of their monthly UBI. They could also choose to not offer employer sponsored retirement plans."³⁹

A major part of the impact on business will depend on the worker responses to universal basic income programs. If the overall labor response economy-wide is negative with respect to hours, we would expect that businesses would have to pay higher wages. If individuals decide to invest less in education and other forms of human capital (because of the lower returns), workers might be less productive on average than they were in the past. Workers could also be choosier about which jobs they want or demand more part-time employment. In this case, this would reduce the rate of return on any training investments (in workers) that were made by businesses. Overall, businesses would likely face a substantially different environment if potential workers did not have

the same necessity to work as a result of UBI programs. This is a situation that has very few precedents in human history, and the impact on businesses is hard to predict.

► GUIDANCE FOR CHRISTIAN BUSINESS LEADERS AND PROFESSIONALS

How should Christian business leaders and professionals respond to the possibility that universal basic income programs are likely to become more prevalent in our society? First, we need to be aware of what these programs do and what they cost. Individuals will see an opportunity to obtain increased financial payments with little apparent cost to themselves. However, as noted above, the costs of such programs can be enormous, and the costs go beyond financial resources. The costs of these programs can impede businesses in fulfilling their calling to glorify God and to serve others.⁴⁰

Second, if one believes that the Biblical idea of welfare should not be based on a UBI program but instead on individual or corporate charity, we need to respond strongly to our Christian responsibility to care for the weak and poor. Although this can be difficult if we must pay for government welfare programs in addition to our giving, Christians are still called to be leaders in acts of charity. Larry Burkett notes that “Welfare was transferred from the church because the church neglected it. It can be recovered, and the church can become a leader in caring about personal needs. This is not an option from God; it is an imperative.”⁴¹ Christians in business also have the opportunity to provide jobs for those on the margins, and treat them generously regarding wages.

Third, if we believe that work is indeed worship, we cannot be content with having that be true for only owners and managers of businesses. We need to strive to better design work opportunities so that all workers can see their work as worship. If we are intended to be co-creators with God in our work, that needs to apply to all who labor. Removing responsibility or creativity from human work makes it difficult for a person to be a co-creator. This can be a hard message for owners and managers because designing work like this could cost more. However, it is also possible that this might ultimately decrease costs, and it is the right thing to do.

Fourth, we need to encourage workers to seek additional opportunities to increase their human capital, in both on-the-

job training as well as in outside educational opportunities. If workers are receiving payments from the government as part of a universal basic income program, their attachment to work will likely diminish. As workers obtain more training and additional human capital, this will increase their wages, encourage them to stay connected to the workforce, enable them to find new ways to work out their callings in the labor market, and to better contribute to the wellbeing of their neighbors.

► CONCLUSION

The real possibility that universal basic income programs could be instituted in the United States or in other countries raises some significant questions for Christians. Once a program of this sort is initiated, it would be very difficult to scale back. It is almost certain that the funds required for such a program would lead to higher taxes. It is also quite likely that once the program was instituted, there will be pressure to increase its reach and size. After all, who doesn’t like “free money?” For example, the COVID relief funds have been generally well-received by the public, and there have been many calls for additional funds. Given the federal government’s history of taxation and spending (emanating from both political parties), there is a high likelihood of larger deficits, and therefore greater borrowing and higher interest payments. This would likely have the effect of increasing inflation rates and interest rates in the future, and have a major impact on the business environment.

Probably the major argument for a universal basic income program is its potential to alleviate poverty and to produce a more equitable income distribution. In light of the Bible’s admonition in Deuteronomy 15:4 that “there should be no poor among you,” Christians have struggled with how to make this happen given the pervasive impact of sin in our world. The effectiveness of UBI programs to alleviate poverty in the long run is still unclear, while it seems clear that the costs of such programs would be enormous.

Some of the most important questions about UBI programs focus on the uncertain but likely negative impact of UBI programs on work behavior. Work is a central feature of our existence as human beings and of our calling in God’s Kingdom (while of course not being everything—rest and non-market activities are important too). Does a UBI remove the curse on our work? Or does it reduce our inclination and

ability to serve others, and instead promote a greater interest in serving ourselves? It seems likely that for many people, work would become less important in the presence of a universal basic income. This alone could have a substantial negative impact on the ability of businesses to hire capable workers. For those who did work and for those who owned and managed businesses, the rewards of such work might diminish. There are very interesting tradeoffs inherent in UBI programs, and the real opportunity costs are uncertain.

Ever since we were young and wanted an allowance from our parents, many of us have considered the impact of some type of basic income. Parents were split on this issue, with some saying yes, and others requiring chores for any money provided. When it comes to the provision of a universal basic income, there is very much that is not yet known. Good experiments might help us understand the potential impacts. However, if possible, they will have to measure a variety of consequences that go way beyond typical economic measures—this may be a bridge too far. Christians, especially those in business and economics, must speak to the importance of work in the Kingdom, and carefully examine any program that reduces the likelihood that people will participate in gainful and valuable employment that serves God and our neighbors, while providing a stable income for our families.

ABOUT THE AUTHOR



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³ See, for example, Isabel V. Sawhill, "Money for Nothing: Why a Universal Basic Income is a Step too Far," <https://www.brookings.edu/blog/social-mobility-memos/2016/06/15/money-for-nothing-why-a-universal-basic-income-is-a-step-too-far>.

⁴ For a description of this program in the popular press, see Gregory Mason, "Revisiting Manitoba's Basic-Income Experiment," <https://www.winnipegfreepress.com/opinion/analysis/revisiting-manitoba-bas-basic-income-experiment-411490895.html>. For a scholarly treatment of the program, see Derek Hum and Wayne Simpson, "Economic Response to a Guaranteed Annual Income: Experience from Canada and the United States," *Journal of Labor Economics*, 1993, volume 11, number 1, part 2, pp. S263-S296.

⁵ Evelyn L. Forget, "Do We Still Need a Basic Income Guarantee in Canada?," Research Paper No. 22, Northern Policy Institute, 2017.

⁶ Damon Jones and Ioana Marinescu, "The Labor Market Impacts of Universal and Permanent Cash Transfers: Evidence from the Alaska Permanent Fund," Working Paper 24312, National Bureau of Economic Research, February 2018.

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⁸ An interview of Senator Bernie Sanders by Scott Santens can be found at <https://medium.com/basic-income/on-the-record-bernie-sanders-on-basic-income-de9162fb3b5c>.

⁹ Robert Greenstein, "Commentary: Universal Basic Income May Sound Attractive but, if it Occurred, Would Likelier Increase Poverty Than Reduce It," <https://www.cbpp.org/poverty-and-opportunity/commentary-universal-basic-income-may-sound-attractive-but-if-it-occurred>.

¹⁰ For a detailed explanation of the income effect, see Ronald G. Ehrenberg and Robert S. Smith, *Modern Labor Economics: Theory and Public Policy*, 12th edition, Boston: Pearson, pp. 174-175. If UBI programs completely replaced the current welfare system, then it is possible that lower "effective" marginal tax rates for the poor could result in substitution effects that might increase their labor force participation rates and hours worked. I believe that the likelihood that any future UBI programs would substantially replace the

current welfare system is quite low, given the constituencies who benefit from such programs and the interests of the employees who administer them. As a result, substitution effects that would encourage poorer individuals to work more will not occur. For those wealthier individuals who face higher marginal tax rates to pay for the program, the resulting combination of income and substitution effects could lead to either greater or lower work activity.

¹¹ For example, see Daniel Aaronson, Bhash Mazumder, and Shani Schlechter, "What is Behind the Rise in Long-Term Unemployment?," *Economic Perspectives*, Volume 34, 2nd, Number 2, 2010.

¹² Steve LeVine, "Biden to Oppose Universal Basic Income," <https://www.axios.com/biden-to-oppose-universal-basic-income-1513305565-1140b4fe-e100-4abb-83ad-cee5104a0b80.html>.

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¹⁴ One way to express a Biblical worldview is through the creation-fall-redemption-consummation framework. This framework influences much of the discussion below. For a winsome explanation of this framework, see Cornelius Plantinga Jr., *Engaging God's World: A Christian Vision of Faith, Learning and Living*, Grand Rapids, MI: Eerdmans, 2002.

¹⁵ Kevin Brown and Mike Wiese, "Work as Worship," *Christian Business Review*, August 2014, p. 27.

¹⁶ See, for example, Proverbs 6:6 and 2 Thessalonians 3:10.

¹⁷ See Isaiah 65:21 and Richard Mouw, *When the Kings Come Marching In: Isaiah and the New Jerusalem*, Grand Rapids, MI: Eerdmans, 2002.

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¹⁹ Steve Corbett and Brian Fikkert, *When Helping Hurts: How to Alleviate Poverty Without Hurting the Poor...and Yourself*, Chicago: Moody, 2012.

²⁰ Victor V. Claar and Greg Forster, *The Keynesian Revolution and Our Empty Economy*, Cham, Switzerland: Palgrave Macmillan, p. 241.

²¹ Claar and Forster.

²² For an excellent extended framework for evaluating government policy, see Victor V. Claar and Robin J. Klay, *Economics in Christian Perspective*, Downers Grove, IL: IVP Academic, 2007.

²³ Robert Doar, "Universal Basic Income Would Undermine the Success of our Safety Net," <http://www.aei.org/publication/universal-basic-income-would-undermine-the-success-of-our-safety-net>.

²⁴ Ioana Marinescu, "No Strings Attached: The Behavioral Effects of U.S. Unconditional Cash Transfer Programs," Roosevelt Institute,

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²⁵ Government programs can also impact the number of jobs or the number of hours in a job that employers offer. For example, the Affordable Care Act gave a strong incentive for employers to reduce the number of hours for a job to below thirty, where the act's requirements were not as binding.

²⁶ See, for example, Urban Janlert, Anthony H. Winefield, and Anne Hammarström, "Length of Unemployment and Health-Related Outcomes: A Life-Course Analysis," *European Journal of Public Health*, Volume 25, Issue 4, 1 August 2015, pp. 662-667.

²⁷ Robert Doar, "Universal Basic Income Would Undermine the Success of our Safety Net," <https://www.aei.org/articles/universal-basic-income-would-undermine-the-success-of-our-safety-net/>.

²⁸ The impact of UBI programs is likely to be more significant for poorer individuals, where the amount of the additional payment represents a larger portion of their current income.

²⁹ It is also possible that a universal basic income program might also allow individuals to pursue a career that is more in line with their calling, but is less remunerative. For example, some individuals might now be able to work as a missionary because financial constraints are less binding.

³⁰ Quoted in Lee Hardy, *The Fabric of This World: Inquiries into Calling, Career Choice, and the Design of Human Work*, Grand Rapids, MI: Eerdmans, p. 56.

³¹ Lee Hardy, *The Fabric of This World: Inquiries into Calling, Career Choice, and the Design of Human Work*, Grand Rapids, MI: Eerdmans, p. 47.

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³⁴ Although UBI programs are "universal" and all individuals receive payments, income redistribution from rich to poor happens when a progressive tax system funds UBI programs.

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³⁷ Dylan Matthews, "Study: A Universal Basic Income Would Grow the Economy," <https://www.vox.com/policy-and-politics/2017/8/30/16220134/universal-basic-income-roosevelt-institute-economic-growth>.

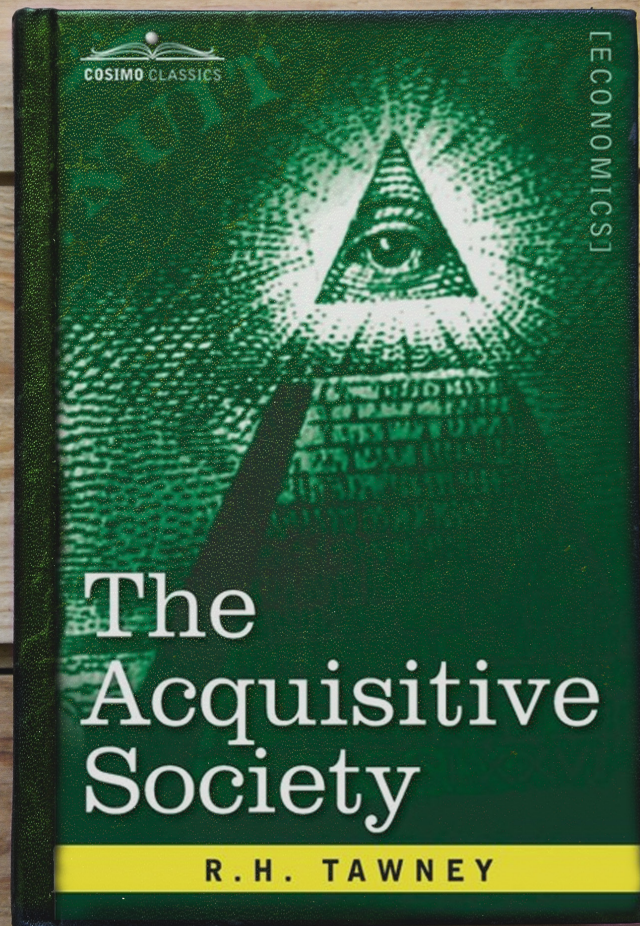
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³⁹ Business First Family, "How Universal Basic Income Could Positively Impact Business Finances," <https://businessfirstfamily.com/universal-basic-income-impact-business>.

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⁴¹ Larry Burkett, "Is Welfare Scriptural?," <https://www.crosswalk.com/family/finances/is-welfare-scriptural-507392.html>.

THE PURPOSE OF **BUSINESS** in an **ACQUISITIVE SOCIETY**



RICHARD HARVEY JONSEN

► **ABSTRACT**

Christian historian R. H. Tawney's book, *The Acquisitive Society*, was published in 1920 as Britain and the world emerged from the human tragedy and economic disruption that followed World War I and the 1918-1920 influenza pandemic. Tawney sought to influence the direction of reconstruction in the United Kingdom, arguing for an alternative path for business – serving the common good – as opposed to building personal wealth. This article examines Tawney's functional society and contemporary common good conceptions of business for application in our emerging post-pandemic context. Several examples of businesses serving the common good are explored, and a framework for transitioning toward common good business practices is offered.

► **INTRODUCTION**

Disruptions in our economic lives predictably result in periods of reflection about the causes of the turmoil and what we can do to avoid similar troubles in the future. A discussion of the need for accounting rules reform following the collapse of Enron, Worldcom, and other high-profile companies in the early years of this century prompted federal legislation imposing those rules.¹ The financial collapse of 2008 and the resulting great recession amplified and accelerated the need for rethinking management in the twenty-first century.² As we emerge from the COVID-19 pandemic, our current circumstance has prompted the same: witness this volume of *Christian Business Review*.

One hundred years ago, R. H. Tawney, a historian, scholar, and Anglican follower of Jesus, participated in

a similar discussion through his book *The Acquisitive Society*.³ As the United Kingdom was emerging from the economic disruption and human tragedy of World War I and the 1918-1920 influenza pandemic, Tawney argued for an alternative path for business – serving the common good – instead of the one trodden before the war that focused on building personal wealth. Our American circumstance in 2021 is by many measures not as severe as that faced by Britain on the heels of World War I. Yet, the combination of our twenty-first century pandemic, heightened racial and political strife, and continuing disruption of our natural environment have spotlighted social, economic, and environmental systems that are not working for many of our fellow citizens, all of whom bear the image of God. Like our twentieth-century British counterparts, we face a choice of how to proceed into the century unfolding before us. Will we choose to return to our pre-pandemic “normal” or take this opportunity to change our business design and practice to address the social, economic, and environment-related difficulties experienced by many of our fellow image-bearers?

► THE ACQUISITIVE SOCIETY

R. H. Tawney was an early critic of what we commonly refer to today as shareholder primacy: management’s primary duty is to build shareholder wealth.⁴ He viewed shareholder primacy as a fundamental flaw of business and industry rooted in Western individualism.⁵ This individualism resulted in what Tawney described as the “acquisitive society,” one in which the “whole tendency and interest and preoccupation is to promote the acquisition of wealth.”⁶ He contrasted this with a “functional society” in which businesses and industries serve a social function or purpose. In a functional society, the purpose of business is to supply humanity with goods and services that are “necessary, useful, or beautiful, and thus bring life to body or spirit.”⁷ Tawney credited humanity with recognizing the social role of economic activity from time to time and celebrated activities that result from this recognition. He mourned, however, the generally short-lived nature of these activities that predictably succumbed to the forces of individualism, greed, and wealth-building.

Tawney’s primary concern in *The Acquisitive Society* was to examine and challenge shareholder primacy and resolve industrial strife in Britain. His narrative traced the development of acquisitive societies in history and argued for creat-

ing purposeful institutions characteristic of a functional society. The key to emerging from the rubble of World War I and the influenza pandemic was understanding the purpose of industry from the proper perspective. That perspective views economic interests as but one aspect of life. It encourages citizens to put aside opportunities for wealth building that do not bring life by being necessary, useful, or beautiful; a proper view of industry subordinates wealth building to meeting social needs by recognizing business as “the servant, not the master, of society.”⁸

It is important to note here that Tawney understood capital and profit as necessary; its purpose and deployment were his points of concern. He drew distinctions between capital invested and profits taken by entrepreneur owners/managers who were actively involved in a business versus shareholders who had no interest in a company other than profiting from their investment. Tawney was also a product of his time. He was a socialist who served on a commission that recommended coal industry nationalization (which Parliament did not implement). However, we must be careful not to dismiss Tawney’s observations and perspective because of his advocated solutions. Tawney himself recognized that time and circumstances change, and as such, so do potential solutions. He viewed his writings as contextual or topical, as platforms from which to measure changes in society over time. And as societies and their problems evolve, so will their potential solutions.⁹

► THE FUNCTIONAL SOCIETY AND HUMAN FLOURISHING

Tawney’s reflections on the potential for a functional society in which wealth serves the interests and needs of society rather than simply increasing shareholder prosperity were deeply rooted in his understanding of Jesus as God Incarnate.¹⁰ The incarnation and the Trinity were foundational to Tawney’s belief in equality and human dignity. This belief had implications for industry and society. Equality was the foundation for order, authority, and justice: “a belief in equality means that... nothing can justify my use of power which chance gives me (the chance of a majority as well as wealth or birth) to the full, that nothing can justify my using my neighbor as a tool, or treating him as something negligible which may be swept aside to realize my ends, however noble those ends may be.”¹¹

Tawney's understanding of the value of the human person, relationships between persons, and justice are consistent with the biblical concept of *shalom*. The Hebrew word *shalom* and Greek word *eirene* are commonly translated into English as peace. But *shalom* has a much broader and deeper meaning in the Hebrew Bible that also applies to *eirene* in the New Testament.¹² *Shalom* encompasses completeness, fulfillment, individual and relational wholeness, community, harmony, tranquility, friendship, and prosperity.¹³ Nicholas Wolterstorff describes *shalom* as the human person living in peace with, and enjoying or delighting in relationships with God, self, others, and nature.¹⁴ A more representative translation of *shalom* into English may be "wellbeing in every dimension of life,"¹⁵ or *flourishing*: the full development of the God-given design and potential in all persons.¹⁶ Importantly, *shalom* or flourishing is only realized in the context of justice. *Shalom* "is the real presence and fruition of divinely created design and intention in the created order" and "requires objectively realized justice."¹⁷ *Shalom* cannot be achieved by simply persuading people they are happy or content in their situation.

Tawney's purpose of business in a functional society – to supply humanity with goods and services that are "necessary, useful, or beautiful, and thus bring life to body or spirit"¹⁸ – is a conception of business that honors and promotes human flourishing both inside and outside the organization. This is similar to the "common good" theme found in many contemporary Christian examinations of the purpose of business.¹⁹ The common good purpose of business recognizes humanity as created in the image of God. As such, each person has inherent dignity and worth and is made for relationship. Further, each person is inherently creative and has been called by the Creator to partner with him in stewarding his physical and social creation.²⁰ This stewardship requires work, which as a part of God's good created order, also has inherent value. The common good purpose of business is to partner in God's mission of redemption by creating for-profit workplace communities that produce goods and services which promote human flourishing inside and outside the organization. This includes providing meaningful, creative work, facilitating the healing of economic relationships throughout the supply chain, and giving voice to the marginalized.²¹

Tawney's functional society sought social and individual wellbeing or human flourishing, and he understood the vital role business and industry played in realizing human flourishing. While the specific solutions he proposed in his time are unlikely to gain traction in the early twenty-first century

United States, his aspirations as a follower of Jesus remain relevant today; indeed, they have been similarly articulated by our contemporaries. It seems fitting for us to follow Tawney's tradition as we emerge from a pandemic era that brought economic, social, and environmental challenges to the fore. Now is the time to recommit ourselves to structuring businesses and institutions that actively facilitate human flourishing.

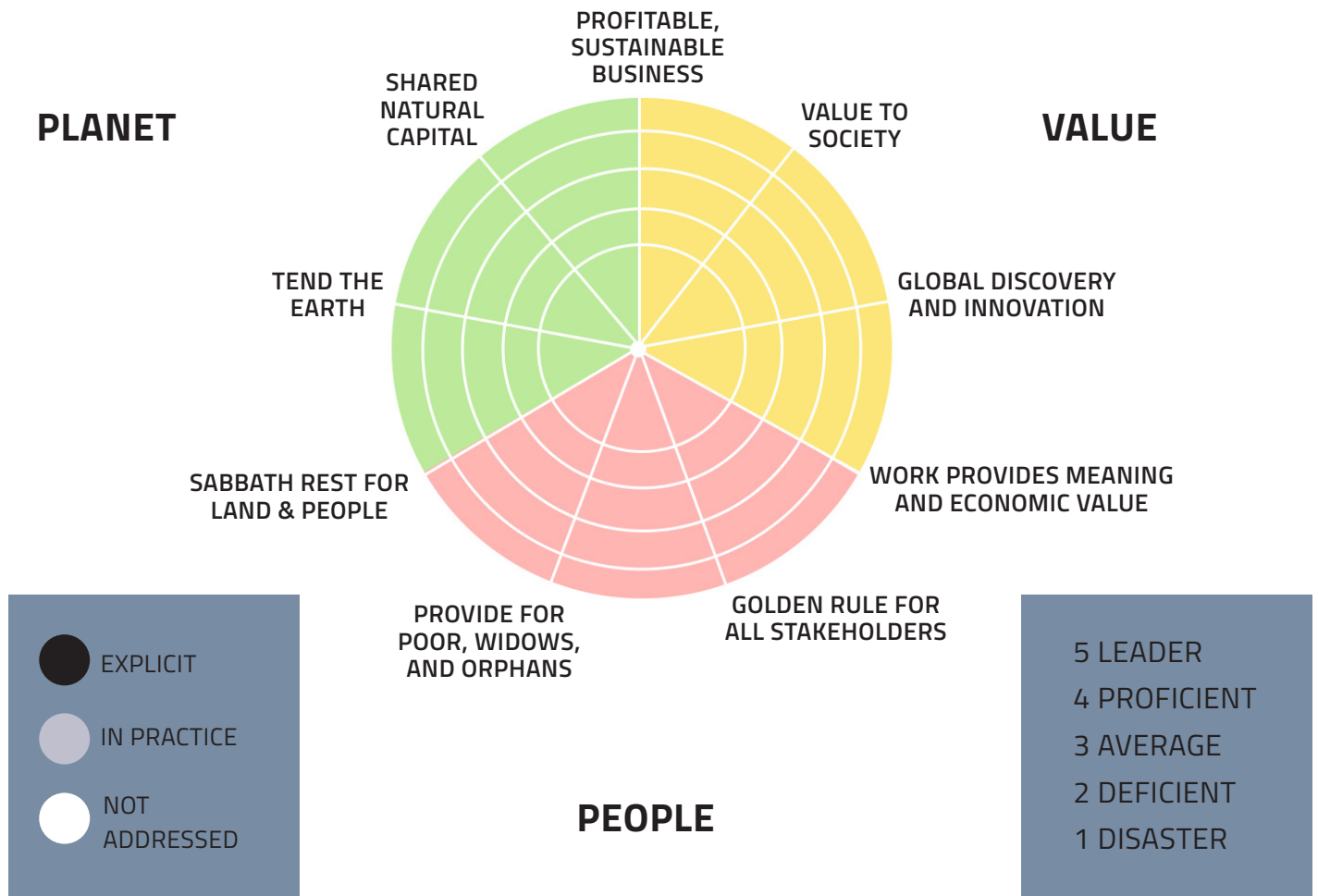
► REALIZING HUMAN FLOURISHING

The contemporary conception of common good business has further developed Tawney's early faith-informed view; this development includes guidelines for practical application. Two recent frameworks for practical application borrow from the balanced scorecard²² and triple bottom line (people, planet, profits)²³ to construct new tools: the Quadruple Bottom Line framework²⁴ and the Holistic Business Scorecard.²⁵ Will Oliver's quadruple bottom line model adds "praising God" to the more familiar triple bottom line. Joseph Bamber and Andy Bochers' holistic scorecard also draws upon the triple bottom line, seeking to operationalize the concepts of wellness and redemption discussed in the common good conception of business without using the terms *shalom* and *flourishing*. Indeed, their application of George Ladd's "kingdom as a present gift"²⁶ bears a resemblance to Tawney's functional society. This article focuses on the holistic scorecard in the interest of brevity.

The Holistic Business Scorecard consists of three categories of measurement: caring for people, tending to the earth, and creating value. Each category is divided into sub-categories that define the category and more readily lend themselves to assessment.

- Caring for people: work provides sacred meaning and value; the Golden Rule as applied to customers, employees, and stakeholders; provide for the poor, widows, and orphans.
- Tending to the earth: sabbath rest for land and people; tend the earth/natural environment; the earth is the Lord's (natural capital shared by/for all).
- Creating value: profitable, sustainable business; value to society; global discovery/innovation.

FIGURE 1 HOLISTIC BUSINESS SCORECARD



Source: Bamber and Bochers (2020). Reproduced under Creative Commons License CC BY-ND 4.0.

These elements are organized into a spider diagram (**Figure 1**) for graphically assessing the degree to which a business is achieving or addressing each measure. Importantly, Bamber and Borchers note that the goal is not perfection in any category but rather balance and identifying growth opportunities.

The good news is that companies small and large are striving to operate as common good businesses and actively facilitate human flourishing. Some excel at caring for people, others tending to the earth or creating sustainable value. All are actively seeking creative ways to help realize what R. H. Tawney would have referred to as a functional society.

▶ HOWDY HOMEMADE ICE CREAM

Tom Landis opened his first Howdy Homemade Ice Cream store in Dallas, Texas, in 2015.²⁷ Tom had prior success in the restaurant business but imagined and designed the Howdy concept for a different purpose. His goal was not simply to make money selling good, original ice cream (they do) but to create a business that could be staffed and run by neurodivergent employees such as those with Down syndrome or on the autism spectrum. Landis' experience as a restaurateur taught him that positive customer experience is

crucial to success and difficult to deliver. Exceptionally high employee turnover rates, fierce competition among restaurants for qualified staff, and constant hiring and training of new staff present were persistent challenges. Tom also recognized an untapped pool of potential employees gifted in welcoming strangers and making people happy who are eager to learn and want meaningful work. Howdy Homemade is organized to hire, develop, and run each store with a predominantly neurodivergent workforce. “It is a business about people first, then the food” says Landis. “We want our ice cream to be as good as our people.”²⁸

Tom’s business model prioritizes caring for people by designing his business to provide work and a career path for neurodivergent people, an often marginalized group in our society. The relationships Howdy Homemade has built go far beyond those with his employees. The COVID-19 pandemic affected Howdy Homemade as it did most other service-industry businesses, placing Landis’ business model at risk in late 2020. By September 2020, the outlook for Howdy Homemade was not good, but the community stepped in by raising over \$100,000 through a GoFundMe page. This was enough to keep the enterprise going and invest in an ice cream truck that serves Howdy Homemade treats in a socially distanced manner.²⁹ As Tom Landis said in a recent interview, “It’s no longer our restaurant. It is truly the city of Dallas’ restaurant.”³⁰ And now the company is expanding beyond Dallas. Howdy Homemade recently opened one of its first franchise locations in Katy, Texas.³¹

► FIRST FRUITS

Ralph Broetje had a dream as a teenager to establish an orchard and use the profits to feed hungry children. Ralph and his wife Cheryl bought their first cherry orchard in 1968. They later sold that land and expanded into apples. In the 1980’s they saw a shift in the Central Washington seasonal workforce from predominantly local residents who were no longer interested in farm work to migrant workers, many from Mexico.

The Broetjes set out to learn more about their new workers and came to empathize with their situation: the difficulties of the migrant life, problems associated with the safety of workers and their children as they moved from farm to farm with the seasons, and their aspirations for a better life. So the Broetje’s decided to redesign and operate their business

in a way that could help meet these needs. They began by modifying their business model, adding packing to growing, providing cold storage, and expanding tree fruit varieties to extend the harvest season. Ralph also experimented with new apple varieties, eventually patenting Broetje Orchard’s own variety, the Opal, a sweet and tangy apple with fruit that doesn’t brown when exposed to air. These changes meant that Broetje Orchards could offer a large number of workers full-time jobs year-round, resulting in families not being on the road all year. Their workers could establish a home. The Broetje’s soon created an onsite child care center – very unusual in the agricultural industry – to care for children and keep them safe while parents were working. They then began building housing for their employees and families, a community named Vista Hermosa (Beautiful View) by the workers. A school was eventually established, along with a chapel, laundry, and convenience store. And now, a number of Vista Hermosa children are becoming first-generation college students.³²

Like Tom Landis, Cheryl and Ralph Broetje designed their business model to *care for people*. They employed and improved the lives of people often marginalized in our society by *creating value* through the operation of financially sustainable businesses. For the Broetjes, this included innovating product lines and agricultural practices. Broetje Orchards was sold in 2019 to the Ontario Teachers’ Pension Plan for an undisclosed amount amid challenges related to industry consolidation, climate change, water rights, and agricultural labor shortages. The company formed to operate the orchards, FirstFruits Farms, intends to continue operating according to the values that guided the Broetjes.³³

► INTERFACE CARPETS

There are myriad examples of for-profit common good businesses started by followers of Jesus,³⁴ but this effort is not unique to the Christian community. Interface Carpet is a long-standing example of a company choosing a common good path. Company founder Ray Anderson and the people of Interface Carpet had no idea how they would become carbon-neutral by 2020 when they embarked upon that quest in the late 1990s. Nobody knew how to transform a business model built on oil – as a power source and raw material – to a sustainable, carbon-neutral operation. Combining internal research with partnerships throughout their supply chain,

Interface and industry partners have invented new technologies and transformed their product line, meeting their 2020 goal.³⁵

One example that both *tends to the earth* and *cares for people* is the Interface Net Effect product line. In partnership with fiber supplier Aquafil and the Zoological Society of London (ZSL), Interface developed a supply chain that utilizes discarded fishing nets as the raw material for carpet tiles. The Net Effect circular supply begins in fishing villages (their first was in the Philippines), where abandoned fishing nets damage the marine ecosystem. Villagers generate supplemental income by retrieving and bundling the nets for sale. Aquafil, a major buyer of the nets, recycles the nylon into fibers and yarn used in the Net Effect carpet tile line. Importantly, the supply chain was designed to ensure that the majority of net retrieval revenue remains in the fishing villages. ZSL worked with local villagers to set up community banks which, in turn, have supported economic improvement in the village as a whole.³⁶ The Net Effect product line is just one example of how Interface creates value through what Anderson envisioned as restorative business practices: business practices that not only stop contributing to adverse environmental and social impacts but seek to repair damage already done with the goal of restoring the environment and communities to wholeness.³⁷

THE FUNCTIONAL SOCIETY: DESIGNING BUSINESS FOR THE COMMON GOOD

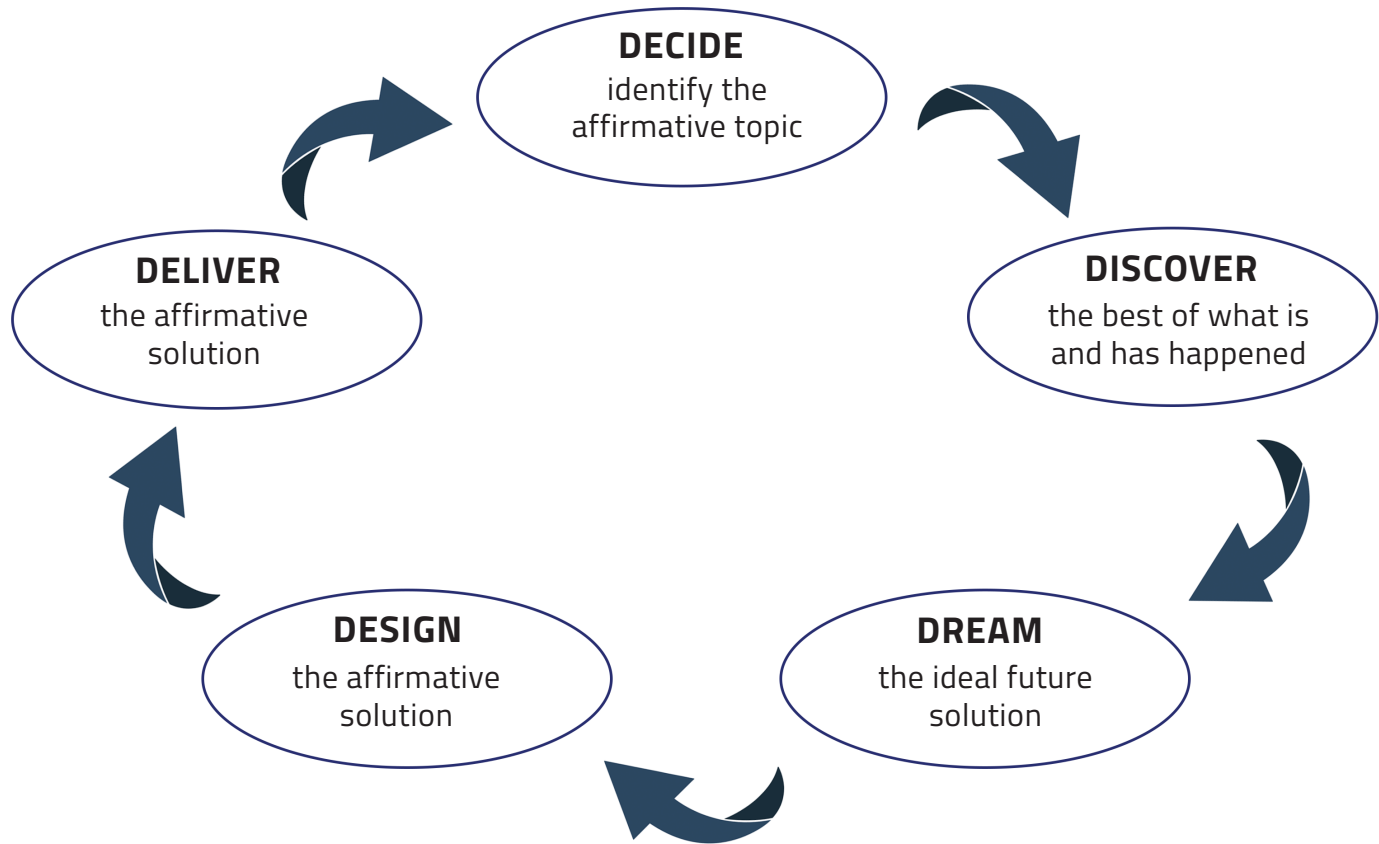
RH. Tawney's functional society is one in which industry prioritizes delivering products and services to society that are "necessary, useful, or beautiful, and thus bring life to body or spirit."³⁸ We see these qualities in the three companies profiled above. The ice cream made and served by Howdy Homemade may not be necessary, but it is certainly beautiful and brings life to body and spirit for both the community and its workforce. Broetje Orchards, now FirstFruits Farms, brings life to body and spirit by facilitating wholeness in community and family life and providing nutritious food distributed across the United States year-round through their growing and packing operations. Interface Carpets provides useful and beautiful carpet in a carbon-neutral manner.

In the case of its Net Effect products, Interface does so in a fashion that restores marine life habitat and builds the economic vitality of all people in its supply chain.

These businesses were intentionally designed or redesigned to address social and environmental needs by operating a financially sustainable business. Tawney described this as a functional approach to business: seeking to serve society rather than simply accumulating wealth. Tawney credited humanity with recognizing the social role of economic activity from time to time and celebrated actions that resulted from this recognition. He mourned, however, the generally short-lived nature of these activities often succumbed to the forces of individualism, greed, and wealth-building.³⁹ In the early twenty-first century, we are well-positioned to resist these forces and multiply common good business efforts. In addition to myriad common good examples,⁴⁰ benefit corporation legislation in many states enables companies to identify multiple stakeholders beyond shareholders in the articles of incorporation, protecting company management from shareholder lawsuits claiming inattention to shareholder interests.⁴¹ We also benefit from change leadership research⁴² to help us transform our companies into common good businesses. Appreciative Inquiry is one such change leadership tool.

The Appreciative Inquiry change leadership process (**Figure 2**) has been widely used in industry and churches.⁴³ It is a collaborative, holistic, strengths-based model that matches well with companies aspiring to transform themselves for the common good. Appreciative Inquiry consists of five basic steps: decide on the change agenda and topic, discover what's working today, dream about future opportunities, design what the future should be, deliver and execute the design. Ideally, all stakeholders are in the room concurrently for an Appreciative Inquiry summit: employees, management, suppliers, community members, etc. Summits have the advantage of accelerating the change process, but they are also complicated and costly to facilitate given they require pausing company operations for 1-3 days. A more workable approach for many companies may be the progressive Appreciative Inquiry, a series of 12 two to four-hour meetings that take place over several weeks or months. The downside of a progressive inquiry is that participants can miss meetings and get sidetracked over time with other priorities. Maintaining continuity is critical to the success of a progressive approach.⁴⁴

FIGURE 2
THE APPRECIATIVE INQUIRY PROCESS



DECIDE

Appreciative Inquiry begins with decisions about the affirmative topic to be addressed. Affirmative topics are strategic and contribute positively to organizational effectiveness when achieved or expanded. Notably, topics are framed in the positive. Here, an organization may use the Holistic Business Scorecard discussed earlier to identify current strengths and development opportunities in the three scorecard categories. Identified development opportunities are then converted into affirmative topics. For example, perhaps a restaurant has scored itself low on “tending the earth” due to food waste going to landfill. An affirmative topic from this assessment might be “create a food waste management system that benefits the local community” rather than “reduce food

waste to landfill.”⁴⁶

DISCOVER

The objective of discovery is to identify the best of what’s happening now and what has happened in the past. Importantly, this strengths-based approach avoids problem analysis and focuses on eliciting positive stories about organizational strengths. These stories are gathered through stakeholder interviews using appreciative questions that elicit information about the past, present, and future. Each interview lasts about 20 minutes. **Table 1** includes a generic discovery questions framework and a set of hypothetical questions using our food waste management system example.

TABLE 1
DISCOVERY STAGE INTERVIEW QUESTION
FRAMEWORK AND EXAMPLES

DISCOVERY QUESTIONS FRAMEWORK	FOOD WASTE MANAGEMENT SYSTEM SAMPLE QUESTIONS
<p>APPRECIATION</p> <p>These questions inquire about times when the organization is or has been at its best, a time the interviewee was most excited or energized by being a member of the organization. What interviewees value about the company and its members is explored.</p>	<p>APPRECIATION</p> <ul style="list-style-type: none"> ▪ Tell me a story about your best experience or the best time you've had with your company. Consider your entire experience with the company. What made that time exciting? Who else was involved? Describe the event in detail. ▪ What do you value about your organization? How has it contributed positively to your life? ▪ What do you value about your work when you are feeling best about it? ▪ What do you value about yourself? Try to avoid being humble in this response, reflecting honestly on your strengths and ability to contribute.
<p>AFFIRMATIVE TOPIC</p> <p>These questions ask the interviewee to reflect on the potential connections between their positive organizational experiences and the affirmative topic at hand.</p>	<p>AFFIRMATIVE TOPIC</p> <ul style="list-style-type: none"> ▪ What have you learned from your positive organizational experiences that might be applied to our effort to create a food waste management system that benefits the local community? ▪ In your view, what are the community and societal expectations of your restaurant and the foodservice industry in general for the future?
<p>ANIMATING FACTOR</p> <p>These questions seek to understand the organization's core animating factor: what enables the organization to endure – and potentially thrive – during difficult times. This factor may be essential to retain as the organization seeks to address its affirmative topic.</p>	<p>ANIMATING FACTOR</p> <ul style="list-style-type: none"> ▪ What is the core characteristic that gives life to your organization? ▪ What enables the organization to survive, and maybe even thrive, during difficult times? ▪ What is the one characteristic that the company should apply to this project to ensure its success?

TABLE 1 CONT'D ON NEXT PAGE

TABLE 1 (CONT'D)

DISCOVERY QUESTIONS FRAMEWORK	FOOD WASTE MANAGEMENT SYSTEM SAMPLE QUESTIONS
<p>IMAGINE THE FUTURE</p> <p>Interviewees are asked to imagine a future state in which the appreciative topic has been addressed and what led to that success.</p>	<p>IMAGINE THE FUTURE</p> <p>Imagine five years from today. The state and federal governments have recognized your restaurant for creating and operating a sustainable food waste management system that benefits the local community. What happened that made this project so successful?</p>

Source: Based on Whitney and Trosten-Bloom (2010) and Mohr and Watkins (2002).

The next step in the discovery stage is meaning-making. In this stage, participants listen to the stories generated during the interviews, then identify the root causes of organizational success and articulate the organization’s positive core – the strengths and competencies that characterize the organization at its best. The specific methods used during meaning-making will vary based on group size and Appreciative Inquiry structure (e.g., summit vs. progressive inquiry). Still, they will likely use some form of narrative analysis or the KJ method (affinity diagrams) to facilitate the process.⁴⁷ Once identified, the organization’s positive core is referenced and integrated into the dream, design, and delivery stages.

DREAM

In the dream stage, participants develop a shared image of how to address the Appreciative Inquiry topic: their “dream” or most desired solution for the topic. This dream will serve as the vision or guidepost for energizing the organization in its change efforts during the delivery stage as it implements the topic solution developed during the design stage.

Like the discovery stage, the dream stage is collaborative. If stakeholders outside the organization were involved in the discovery phase, they should be involved here. If they were not involved in discovery, inviting them to make presentations on their view of the challenge will be helpful as the

organization begins its dream work.⁴⁸ Better yet, involving external stakeholders in the dream process will help ensure the development of a holistic dream that is more likely to be fully realized.

The end product of the dream stage is an opportunity map and a dream or vision statement for the topic solution (**Figure 3**). Both are developed collaboratively through steps that include reflection, dialogue, theme identification, and concept clarification.⁴⁹

DESIGN

The human-centered design process⁵⁰ is beneficial in the Appreciative Inquiry design stage. Human-centered design seeks to develop solutions that are desirable (people will want to use or buy the product or service), feasible (can be done in the relatively near future), and viable (sustainable over the long-term, including financially sustainable). The process consists of three stages: inspiration, ideation, and implementation. Organizations utilizing Appreciative Inquiry get a head-start on inspiration in the define, discovery, and dream work already completed, enabling them to quickly move into the ideation and implementation (prototype testing) phases of design. Ideation may include developing “provocative propositions,” affirmatively worded statements that capture the ideal intentions of the solutions to be test-

FIGURE 3 SAMPLE OPPORTUNITY MAP



ed and developed.⁵¹ Prototypes should be checked against the opportunity map and vision statements developed in the dream stage to ensure solutions meet stakeholder needs.

DELIVER

Scaling and implementing the selected prototype is a matter of effective project management and leadership. Continuing leadership of the change process will be just as crucial as solution implementation in this stage. John Kotter's eight-stage change leadership process is an often-referenced model and can be helpful here.⁵² The first four stages of Kotter's model are embedded in the Appreciative Inquiry process.⁵³ Keeping Kotter's last four stages front-of-mind during delivery will help ensure effective implementation and

lasting success: empowering broad-based action, generating short-term wins, consolidating gains and producing more change, and anchoring new approaches in the organizational culture. It is important to remember that many organizational change efforts fail not due to the solution quality but rather the failure to engage the organization and stakeholders in the change process.

CONCLUSIONS

Whether designing a common good business from scratch or transforming an existing business using Appreciative Inquiry or another change leadership process,

it is essential that moral, faith-informed principles and voices guide our common good business design efforts. Our endeavors to create a functional, more just society will be incomplete if they are independent of understanding human flourishing and God's *shalom*.⁵⁴ R. H. Tawney argued that the inherent value and importance of the human person guide the United Kingdom's economic reconstruction following World War I and the influenza pandemic of 1918-20. Industry's primary purpose should be facilitating human flourishing. Tawney played an essential role in advocating the moral dimensions of economic life even if his proposed solutions were not embraced.⁵⁵ Christian businesspeople have a similar role today in speaking to the moral elements of business. Speaking and living God's *shalom* as followers of Jesus, combined with the resources, tools, and examples discussed herein, will help us avoid succumbing to the temptations of individualism. The effort would enrich life and spirit of our fellow image-bearers by delivering products and services that are necessary, useful, beautiful.

ABOUT THE AUTHOR



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⁴⁶ The United Nations Sustainable Development Goals may also be useful as a reference during the decide stage. <https://sdgs.un.org/goals>.

⁴⁷ See Whitney and Trosten-Bloom, Mohr and Watkins, and Branson for method discussions and examples. For an early discussion of affinity diagrams (KJ method) see Raymond Scupin, "The KJ method: A technique for analyzing data derived from Japanese ethnology," *Human Organization*, 56(2) (1997), 233-237.

⁴⁸ Gina Hinrichs and Jim Ludema, "AI in Business Renewal: Turning Around a Manufacturing Division at John Deere," David Cooperider and Associates, 2012, <https://www.davidcooperrider.com/wp-content/uploads/2011/11/John-Deere-Case3-1x.pdf>.

⁴⁹ See Whitney and Trosten-Bloom for a helpful discussion of this process.

⁵⁰ Tim Brown and Barry Katz, *Change by Design: How Design Thinking Transforms Organizations and Inspires Innovation* (New York NY: HarperCollins, 2019). This entrepreneurship text includes a helpful chapter-length summary of design thinking: Heidi M. Neck, Christopher P. Neck, and Emma L. Murray, *Entrepreneurship: The Practice and Mindset*, 2nd ed. (Thousand Oaks, CA: Sage, 2021). The IDEO.org Field Guide provides helpful design thinking tools and guidance: IDEO.org, *The Field Guide to Human-Centered Design* (Palo Alto, CA: IDEO.org, 2015) <https://www.designkit.org/resources/1>.

⁵¹ Whitney and Trosten-Bloom, 204-205.

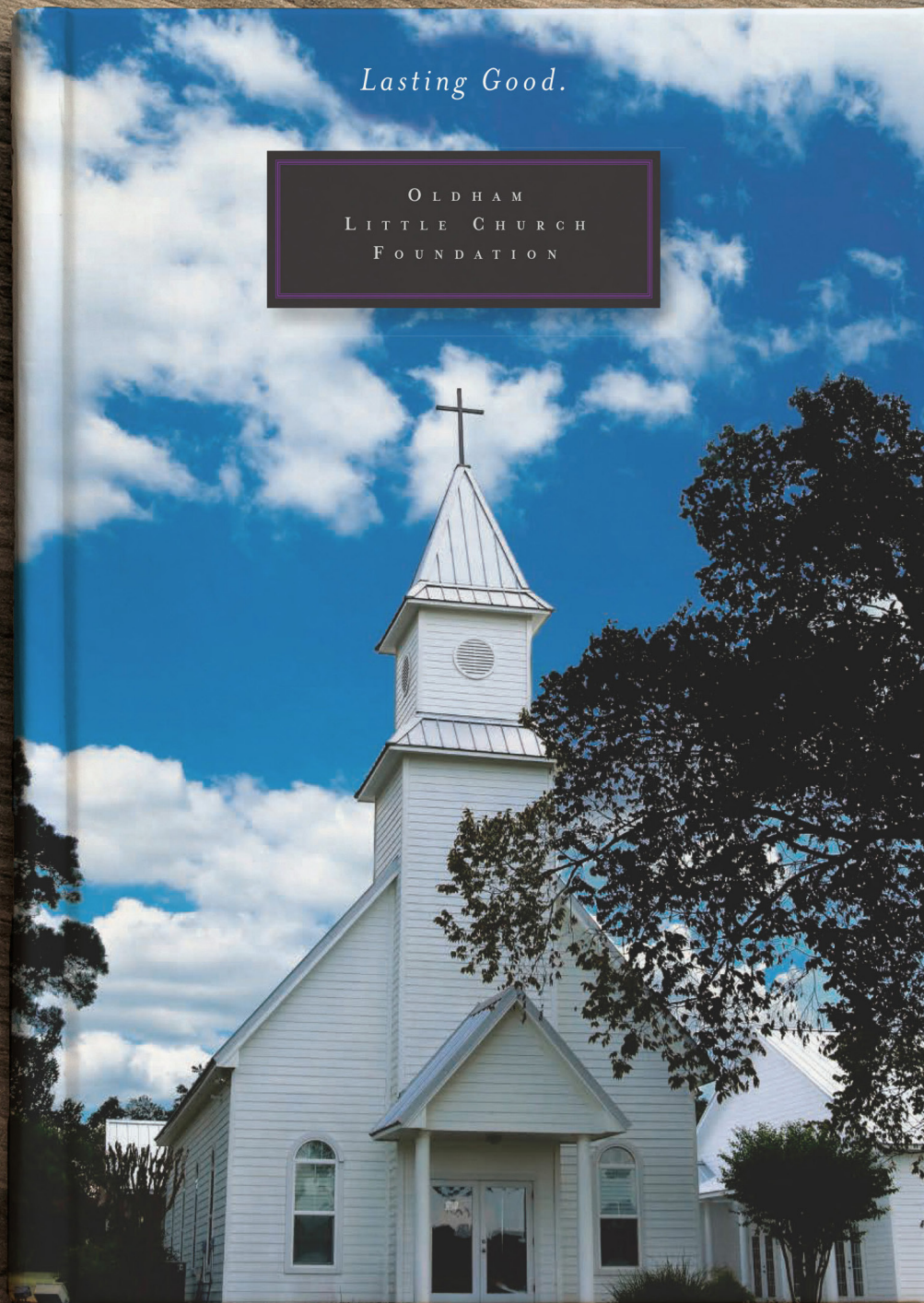
⁵² John Kotter, *Leading Change* (Boston, MA: Harvard Business Review Press, 2012).

⁵³ Stouten, Rousseau, and de Cremer.

⁵⁴ Michael E. Cafferky, "Sabbath: The Theological Roots of Sustainable Development," *Journal of Biblical Integration in Business*, 18(1) (2015), 35-47.

⁵⁵ Tim Rogan, *The Moral Economists: R. H. Tawney, Karl Polanyi, E. P. Thompson, and the Critique of Capitalism* (Princeton, NJ: Princeton University Press, 2017).

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