

RESPONSIBLE ACTION

Economic thinking must account for long-term effects and unintended consequences.



An important root cause of many of our economic problems, and of the inadequate responses to our problems, is the desire for a quick fix. We want our problems to go away right now. And we want the solutions to be simple and easily understood, preferably tying the blame for our troubles to an unpopular scapegoat. That way the solutions will be politically attractive and easily marketable to a mass audience.

If we seek “a fully rounded understanding of how people flourish” (see Element 10), we will soon discover that there is almost never a quick fix. What seems like a good idea in the short term – often the very short term – can turn out to be unsustainable or even harmful in the long run (Luke 14:28-33). We have to discipline ourselves to think about long-term effects.

This is doubly true if, as we saw in Element 1, we have an economic responsibility to future generations. It’s actually easy to find solutions to our problems that will make all of today’s adults happy. All we have to do is not care whether we leave our children trillions of dollars of debt, and economic institutions that don’t know or care how to create value for others.

Our programs to help the poor are a perfect example of the need to consider long-term effects and unintended consequences.

Another thing we will quickly discover if we seek “a fully rounded understanding of how people flourish” is that the world is complex. Simplistic solutions produce unintended consequences that can do a lot of damage. Billions of people are interconnected through economic relationships, each person making countless decisions every day that affect others. If they were all robots, maybe someone could take control of all that activity and impose simple solutions. But that is not possible if they are all made to be stewards, with their own agency and responsibility.

That's before we start talking about the Fall. Even an unfallen world, where billions of sons and daughters of God lived as stewards in perfect harmony with the Father, would have been too complex for simple economic schemes. The fallen world as we actually know it, in which all individuals and social systems are broken and out of harmony with God and one another, chews up our simple solutions and spits them back in our faces.

Our programs to help the poor are a perfect example of the need to consider long-term effects and unintended consequences. The idea that we can cure poverty by giving people money is short-term thinking. It is so much an example of short-term thinking that it is actually the right thing to do whenever people have short-term problems,

such as a medical emergency or natural disaster. When applied as a long-term solution, it produces disastrous unintended consequences – dependency, disconnection from work, and family breakdown.

There is a call to humility here for each of us as we consider the limits of what we can accomplish (Psalm 27:13-14). But that does not mean we should lose hope and do nothing. We need what pastor and author Tom Nelson has called “hopeful realism” – to strive for what we can accomplish while letting go of what we can't. When we have the wisdom to know the difference, we can become truly effective.