

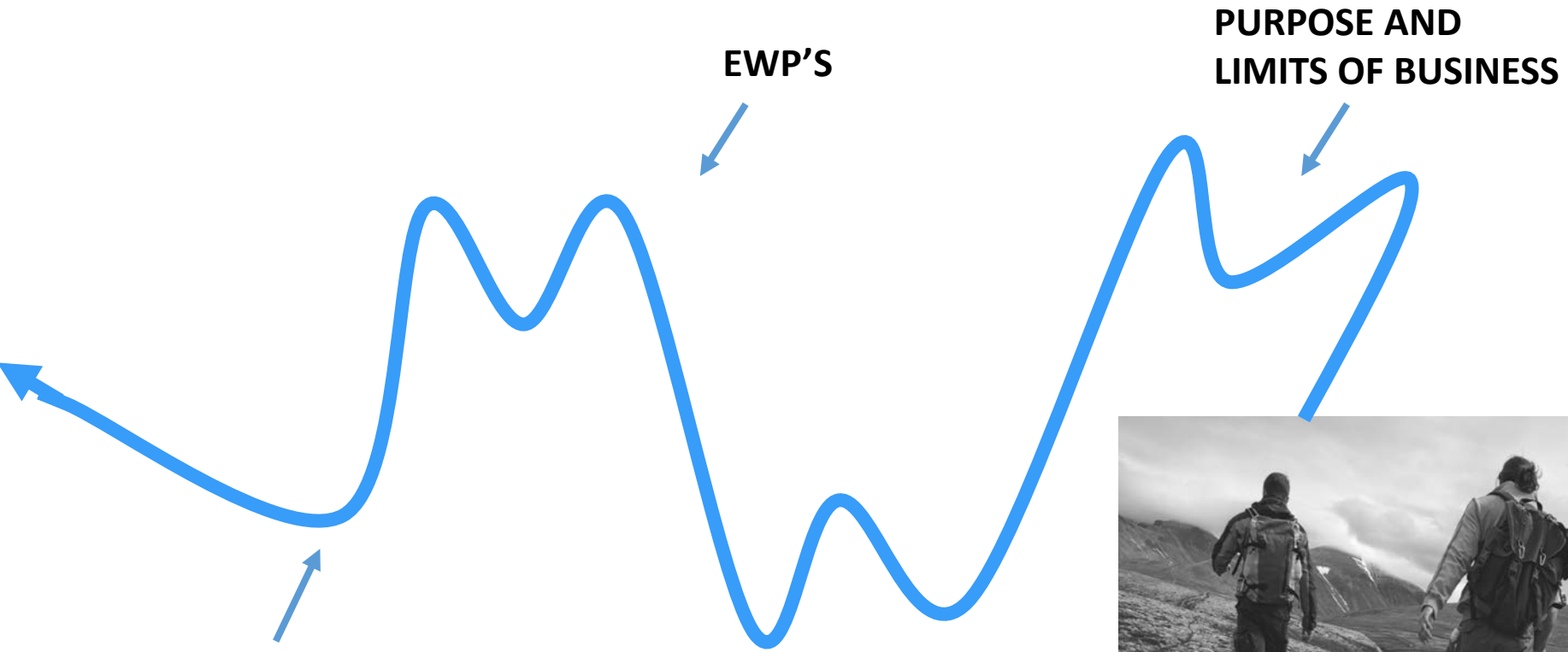


ECONOMIC
WISDOMPROJECT

Purpose and Limits of Business

The Second and Third EWP Themes

Pathway for my talk



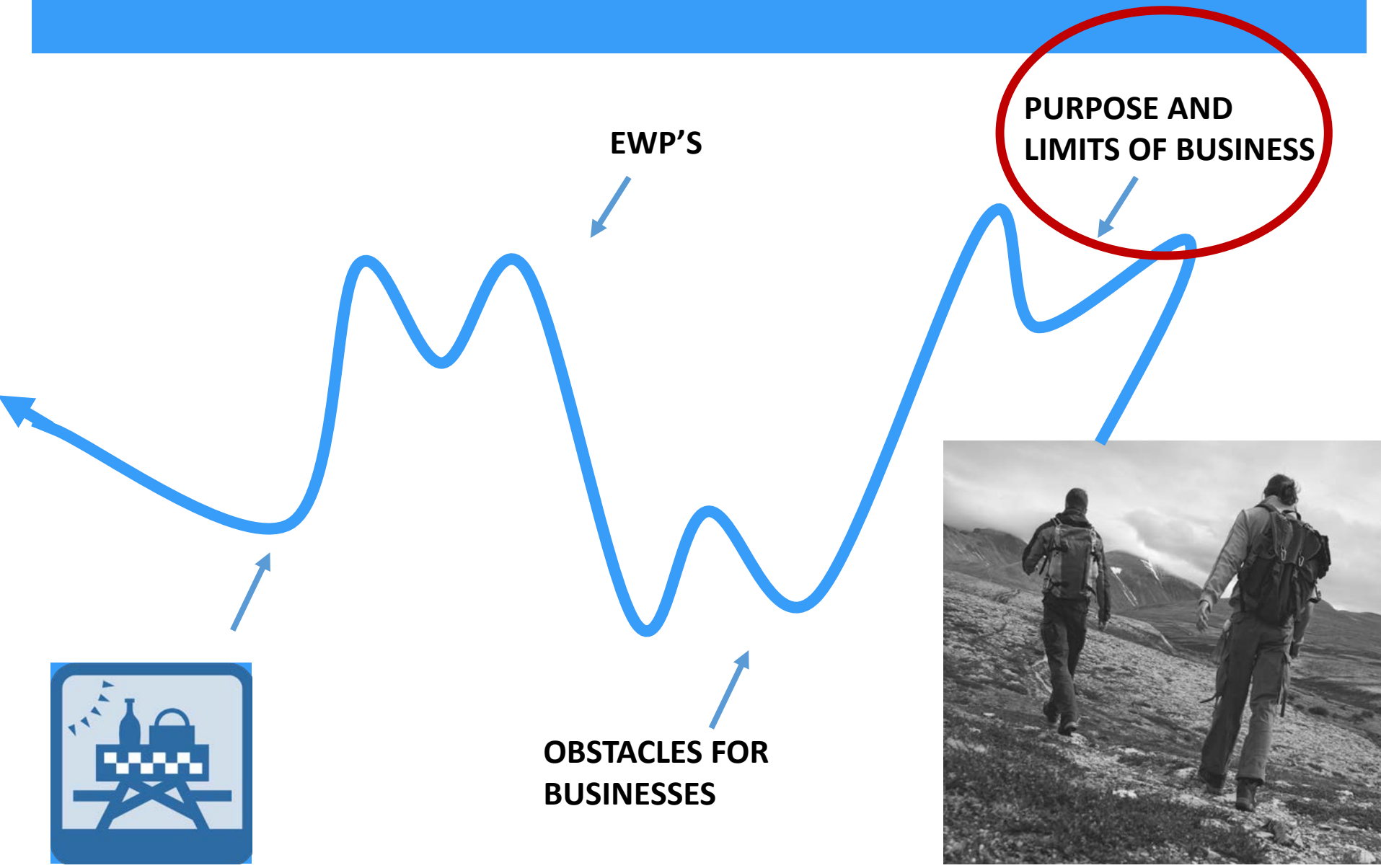
EWP'S

**PURPOSE AND
LIMITS OF BUSINESS**

**OBSTACLES FOR
BUSINESSES**



Pathway for my talk



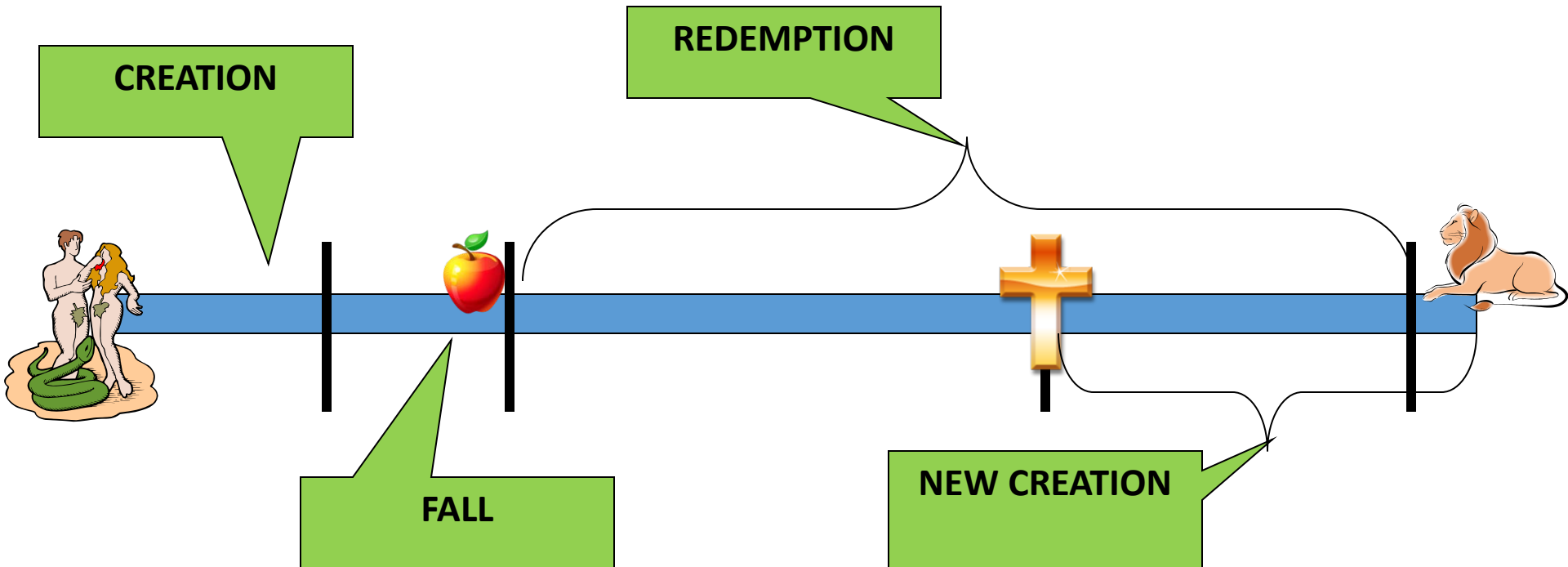


Why?

- What is the purpose of business from God's perspective?

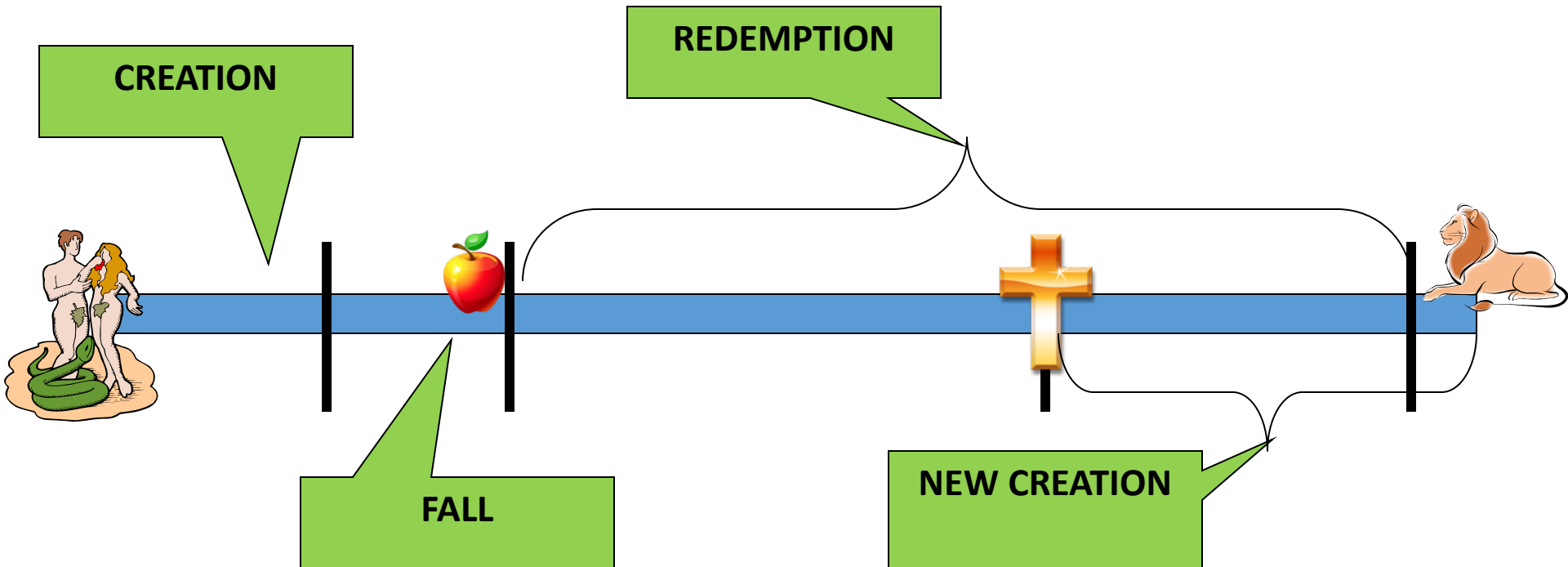
My approach

- The “Grand Narrative”



My approach

- The “Grand Narrative”



Observations from Genesis

- We were made – in part – for work



Genesis 1:26

Let us make man in our image, in our likeness

Genesis 1:26

Let us make man in our image, in our likeness

It is not good for the man to be alone.



Observations from Genesis

- We were made – in part – for work
- Our work is to grow out of and return to relationship



Purposes of business

- Business exists to provide opportunities for individuals to express aspects of their God-given identities in creative and meaningful work.



Observations from Genesis

- We were made – in part – for work
- Our work is to grow out of and return to relationship
- The material world matters to God

Genesis 2:5

When the LORD God made the earth and the heavens-- and no shrub of the field had yet appeared on the earth and no plant of the field had yet sprung up, for the LORD God had not sent rain on the earth and there was no man to work the ground



Observations from Genesis

- We were made – in part – for work
- Our work is to grow out of and return to relationship
- The material world matters to God
- God's purposes on earth are to be advanced through our work

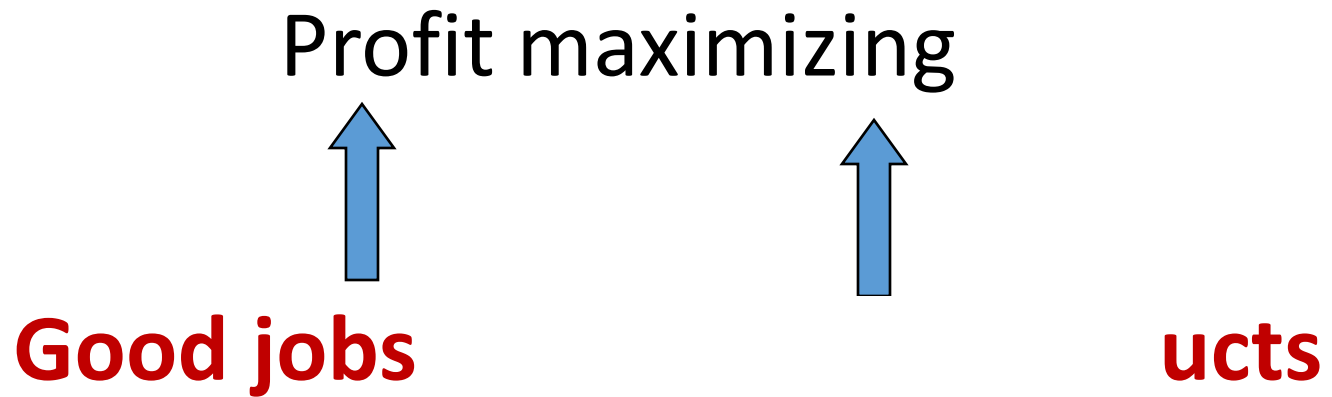


Purposes of business

- Business exists to provide goods and services that will enable the community to flourish **Customers**
- Business exists to provide opportunities for individuals to express aspects of their God-given identities in creative and meaningful work. **Employees**

But what about profit?

Distinguish from shareholder model



How?

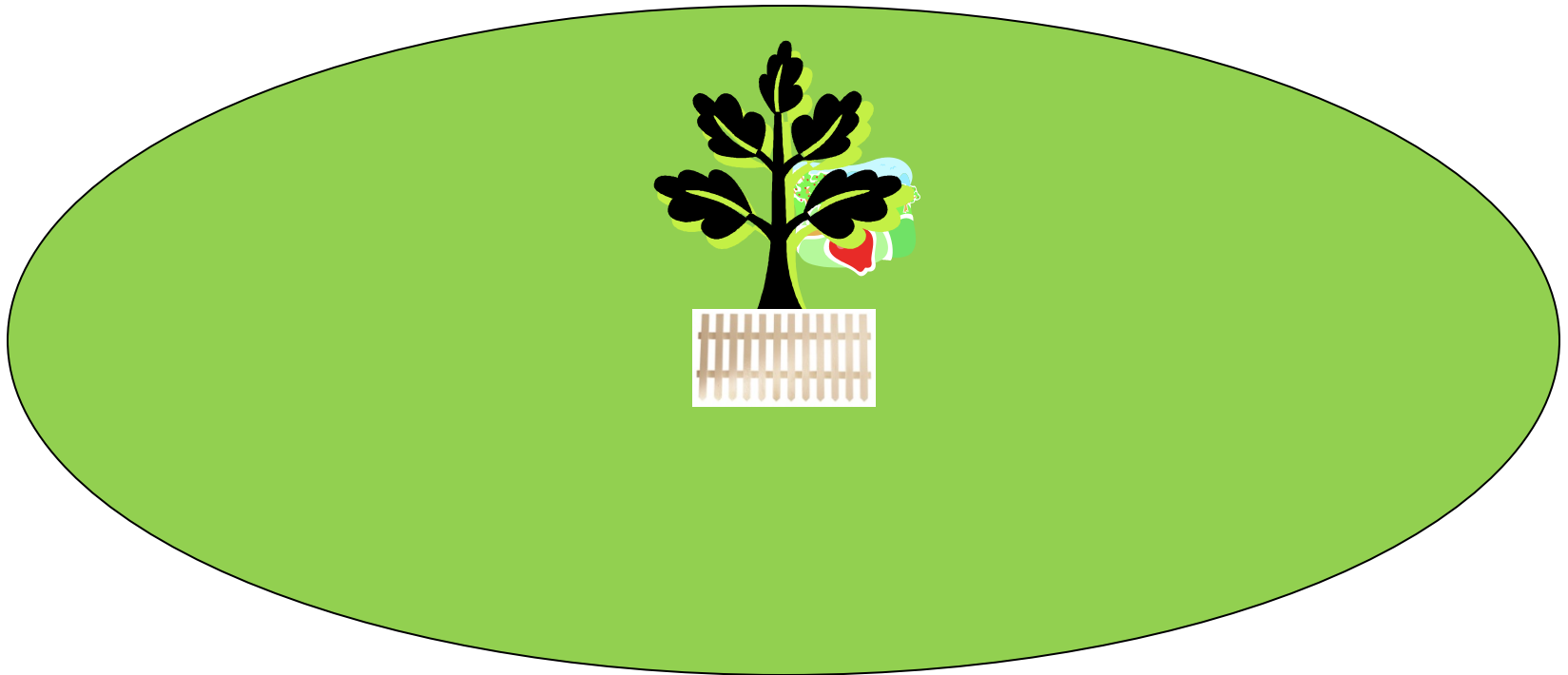
- How should business be practiced?

Limits of business



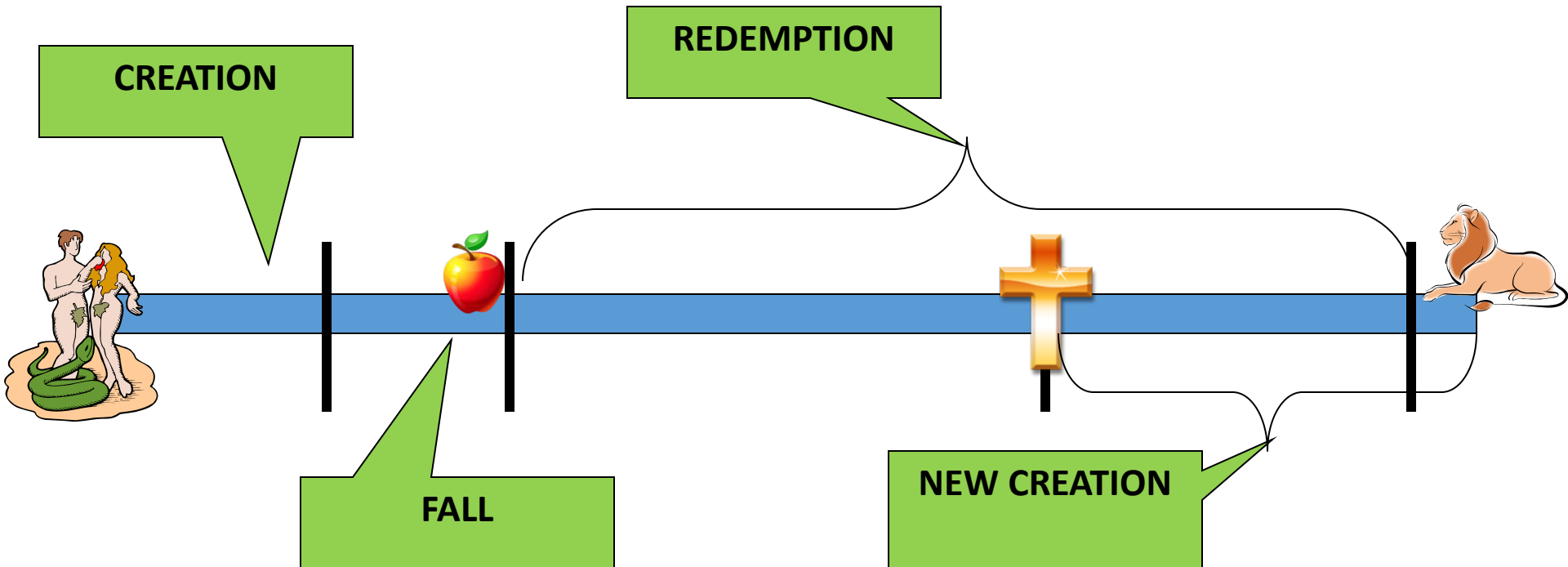
Purpose
of
business

Limit at the center of identity



My approach

- The “Grand Narrative”



Broken in all dimensions

Human - God	Human – human	Human – creation	Human - work
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Everything is broken

How do we get back to a correct sense of limits?



Clues from Genesis...

- I give you every **seed-bearing plant** on the face of the whole earth and every **tree that has fruit with seed in it**. They will be yours for food.
- The LORD God took the man and put him in the Garden of Eden to work it **and take care of it**.



A need for limits

Business should pursue God's purposes but subject to the limits of sustainability



A need for limits

Business should pursue God's purposes but subject to the limits of sustainability

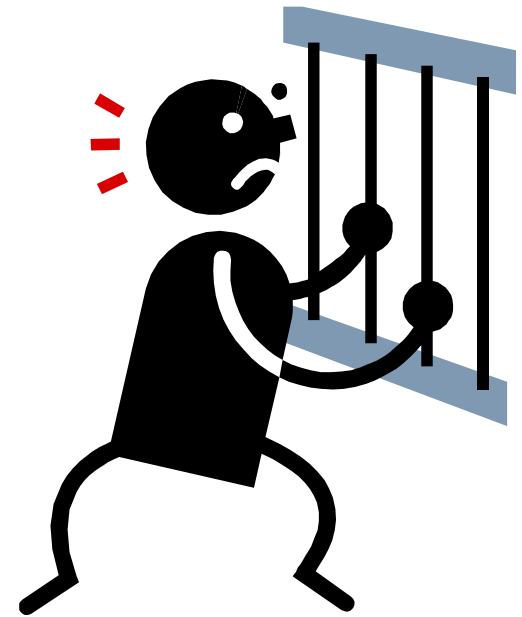
- Not just an environmental issue
- Assuming no changes in the surrounding setting, could the business be sustained this way indefinitely?



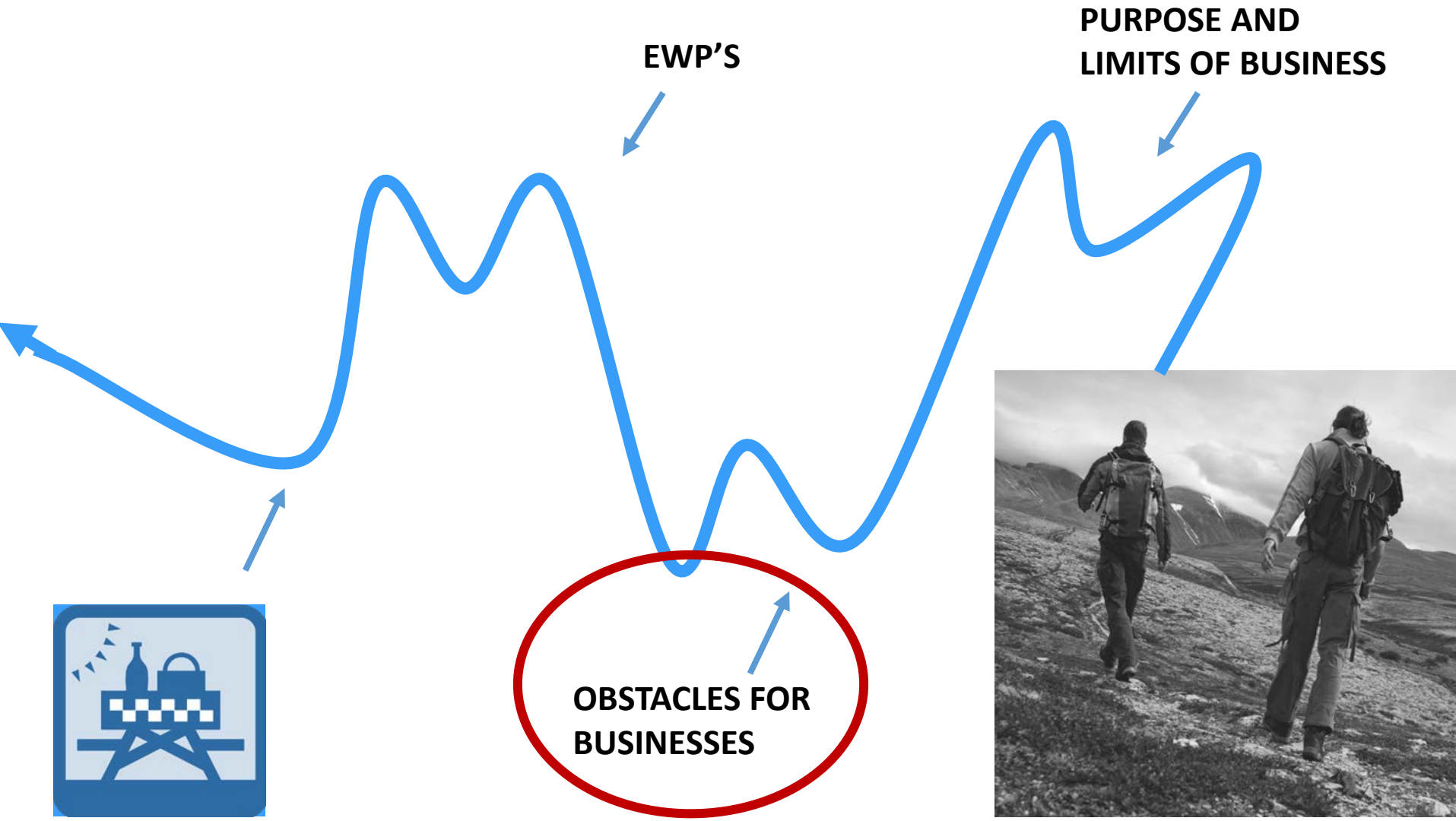
Sustainable

- Shareholders/Owners
- Employees
- Customers
- Suppliers/Vendors
- Community
- Environment

Conventional understanding of limits

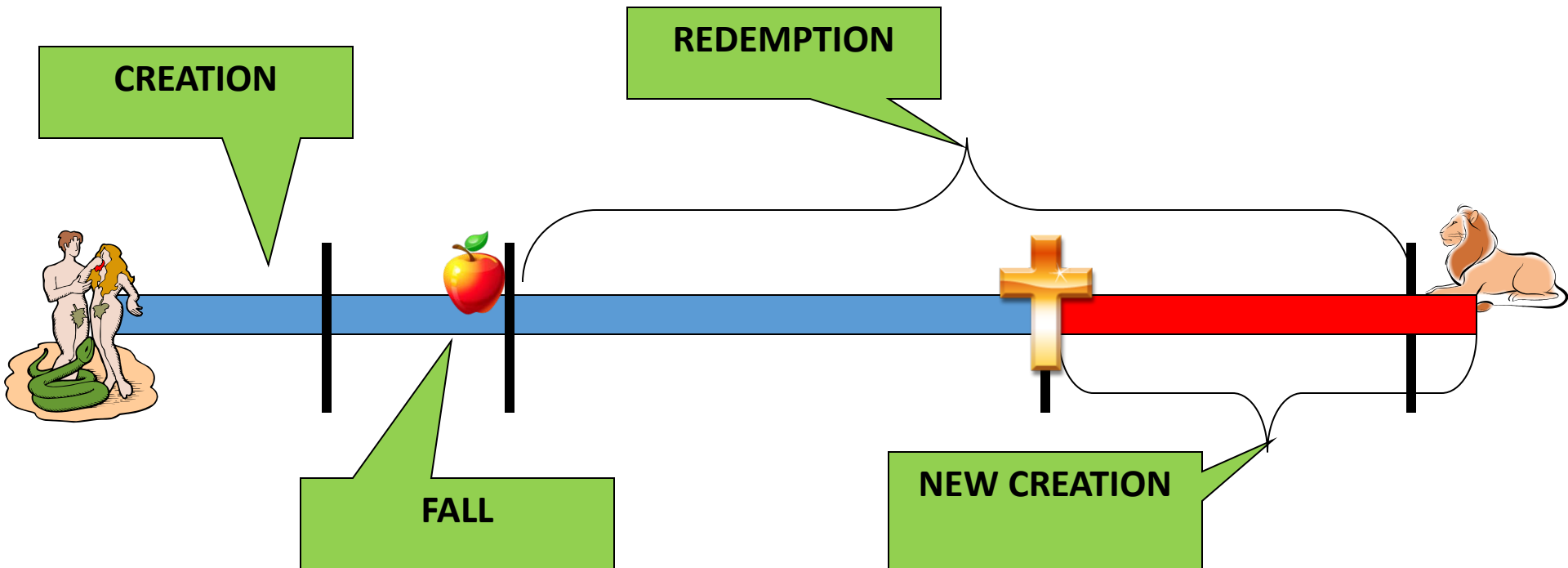


Pathway for my talk



Why we can't have it all

- For now we operate in the “messy middle” – the “already/not yet”





Obstacles to being all that business should be

- Laws and regulations
- Market limitations



Why laws can be good

- Enable market to function (e.g. property rights, enforcement of contracts)
- Capture externalities so that markets will function more accurately
- Address values that markets don't capture



The problem with regulations

- Not always oriented towards the “common good” or “human flourishing” – a question of motivation
- Difficulty in figuring out what is best for the “common good” – an issue of limited knowledge
- Problem of over and under-inclusiveness
- Cost of monitoring and enforcement



Government regulations

- What can we conclude?
 - Must not assume that regulations are always the answer
 - Must not assume that regulations are never the answer
- Need a more nuanced understanding
 - Self regulation by a virtuous person is best



What about the “market”?

- A remarkably effective tool
- But probably not God’s perfect plan



The problems with the “market”

- A remarkably effective tool
- But probably not God’s perfect plan
- Built on a number of assumptions
 - Scarcity
 - Self-interested behavior
 - Choices are neutral
 - Participation in the market is earned

Market economies

*Adam Smith's invisible hand is
NOT the hand of God*





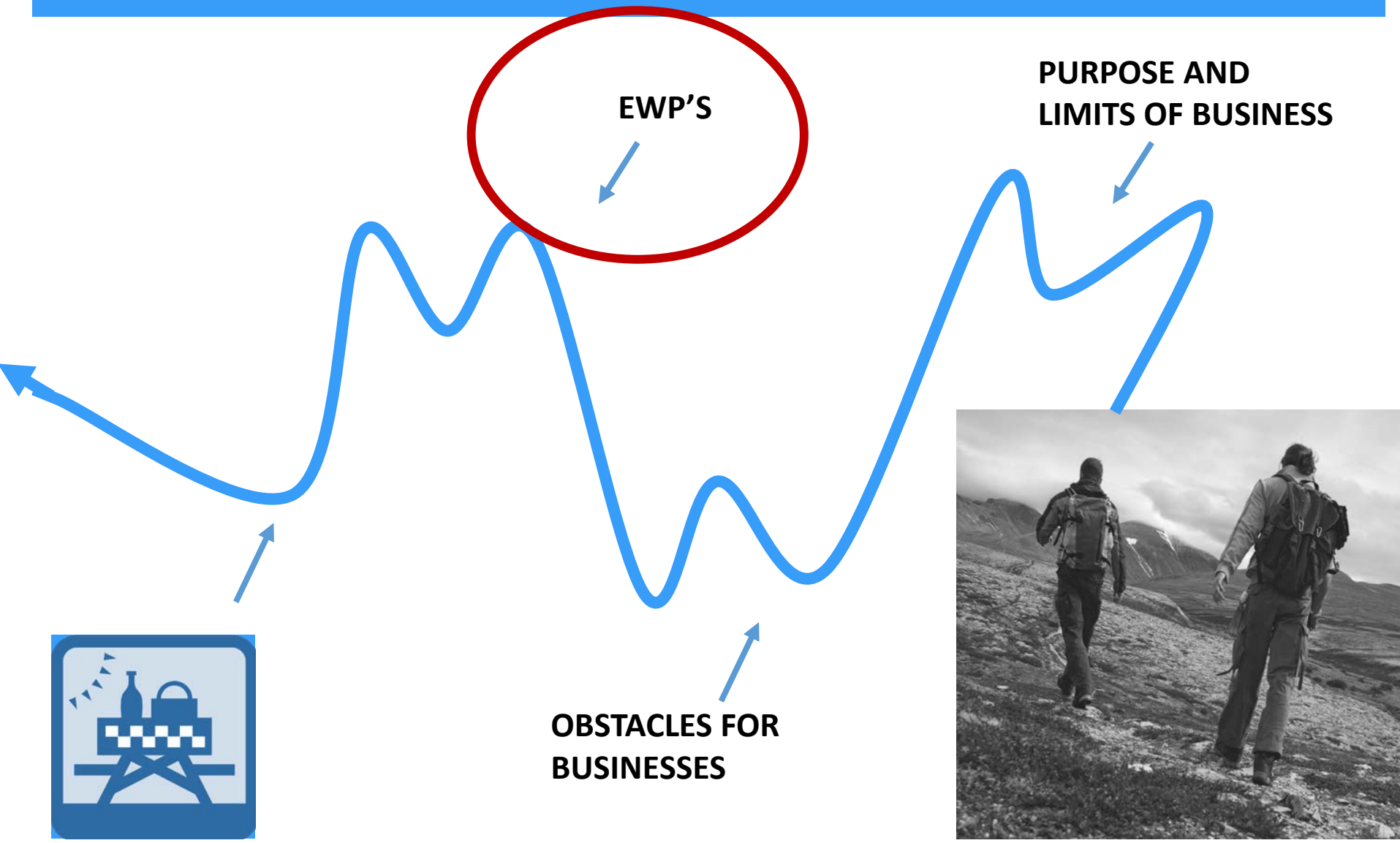
Market economies

- What can we conclude?
 - Must not idolize the market
 - Must not condemn the market
- Need a more nuanced understanding:

The role of the church is not to be “anti-market” or “pro-market” but to be life-affirming.

Dr. Rebecca Blank

Pathway for my talk





Economic wisdom principles

1. We were given stewardship over the world so our work would make it flourish for his glory.
2. Through economic exchange, we work together and create value for one another.
3. Economic systems should be grounded in human dignity and moral character.
4. Economic systems should practice and encourage a hopeful realism.

Business & the Economic Wisdom Principles

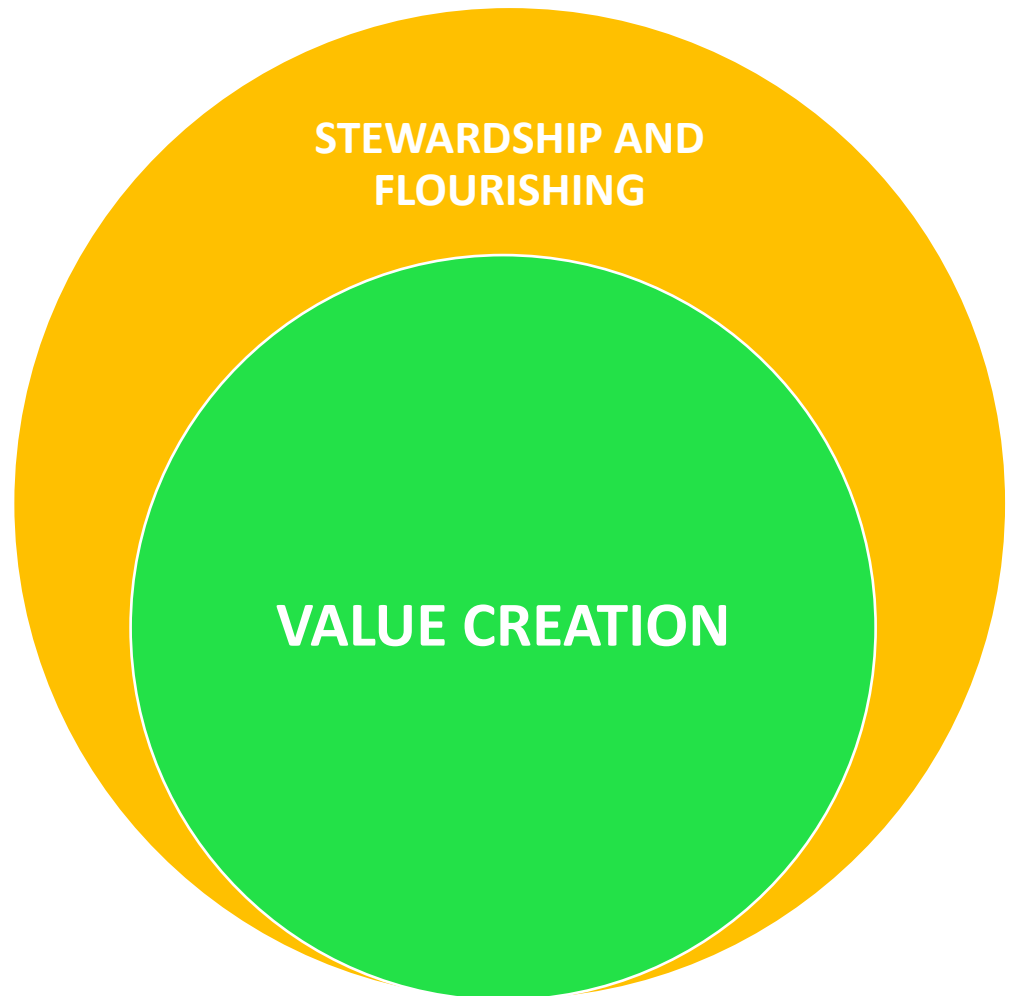
General
purpose



**STEWARDSHIP AND
FLOURISHING**

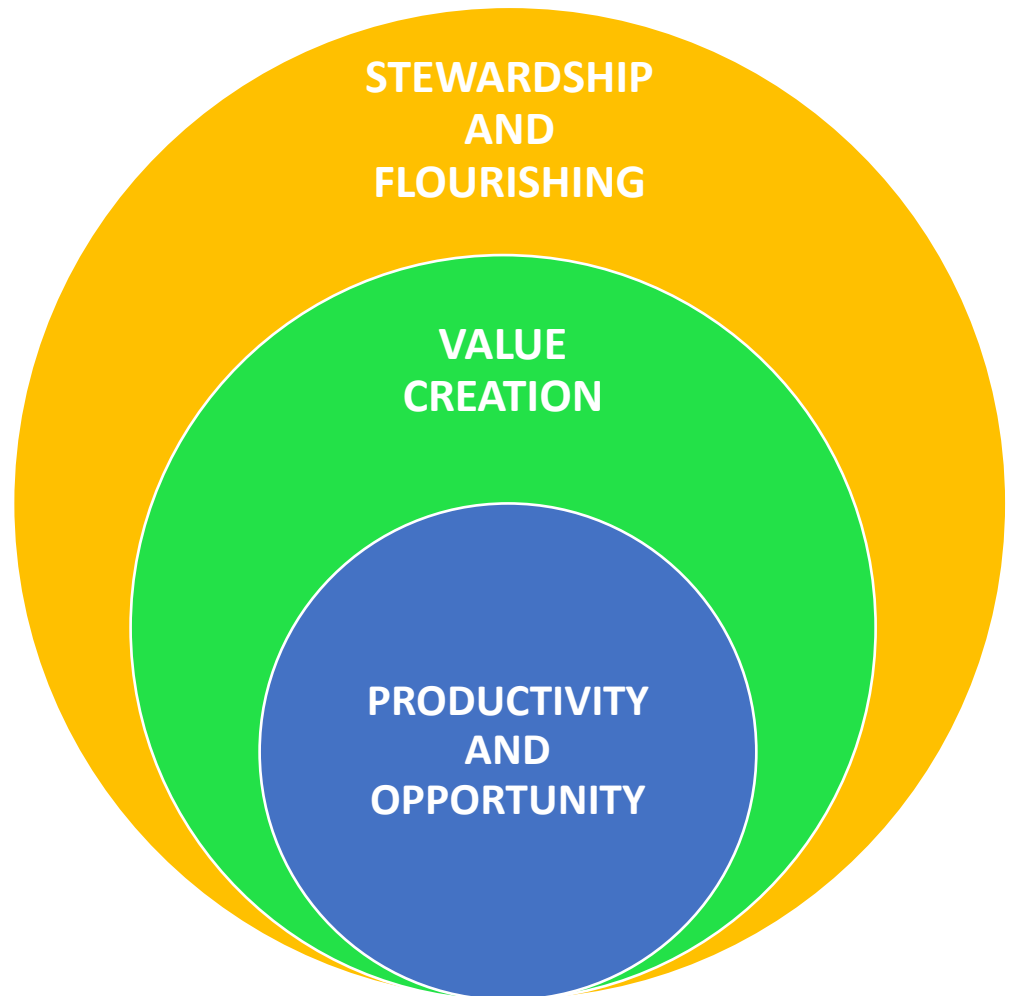
Business & the Economic Wisdom Principles

Required if
business is
to contribute
to human
flourishing



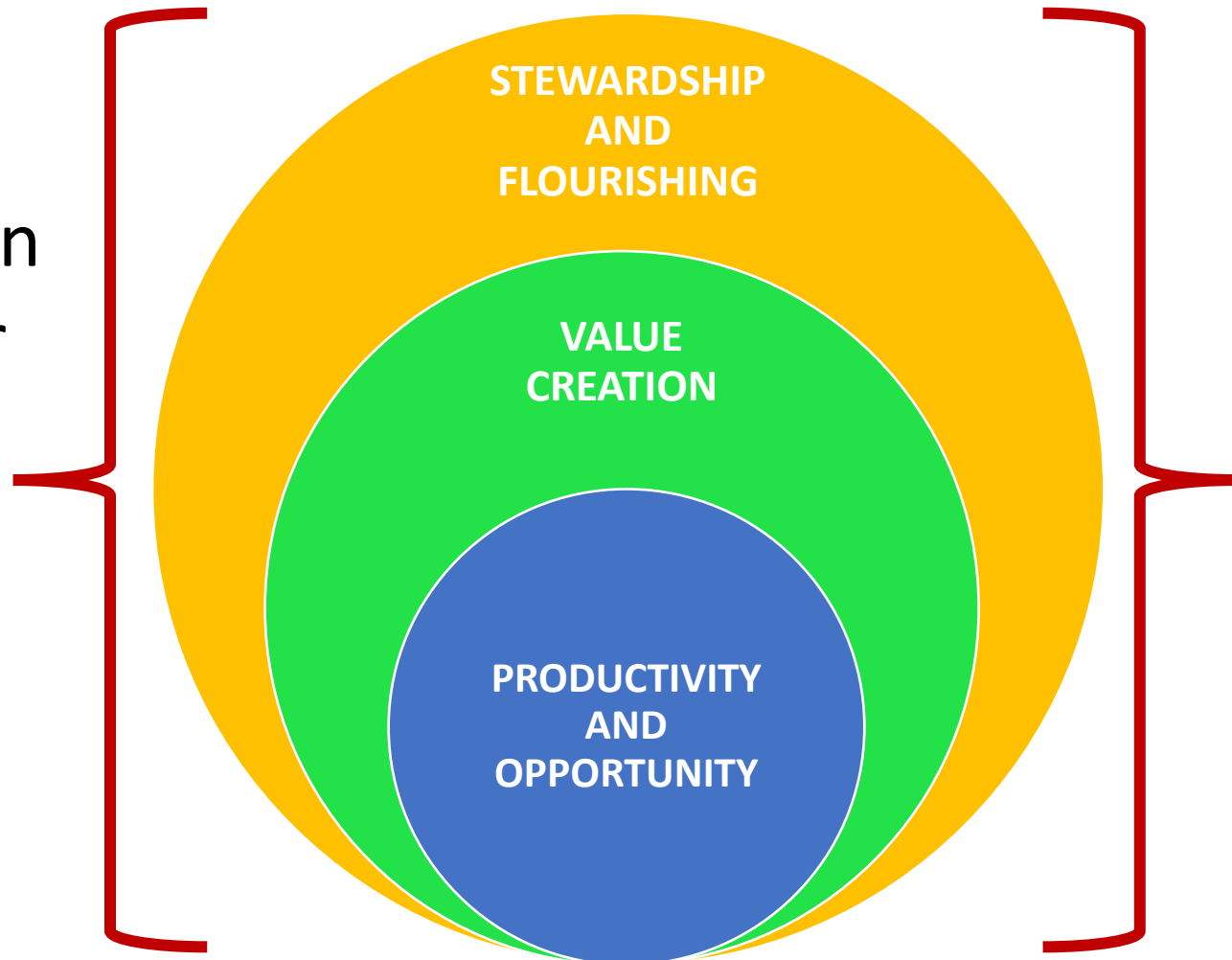
Business & the Economic Wisdom Principles

Required if
business is
to engage
in value
creation



Business & the Economic Wisdom Principles

Responsible action
as limiting factor
in each case





A few closing thoughts

Economic value creation:
A unique attribute of business



A few closing thoughts

Economic value creation:

A unique attribute of business

Productivity:

A growing pie, not win-lose

Oxford Declaration on Christian Faith and Economics

We recognize that poverty results from and is sustained by both constraints on the production of wealth and on the inequitable distribution of wealth and income. ... We affirm the need to analyze and explain the conditions that promote the creation of wealth, as well as those that determine the distribution of wealth.



A few closing thoughts

Economic value creation:

A unique attribute of business

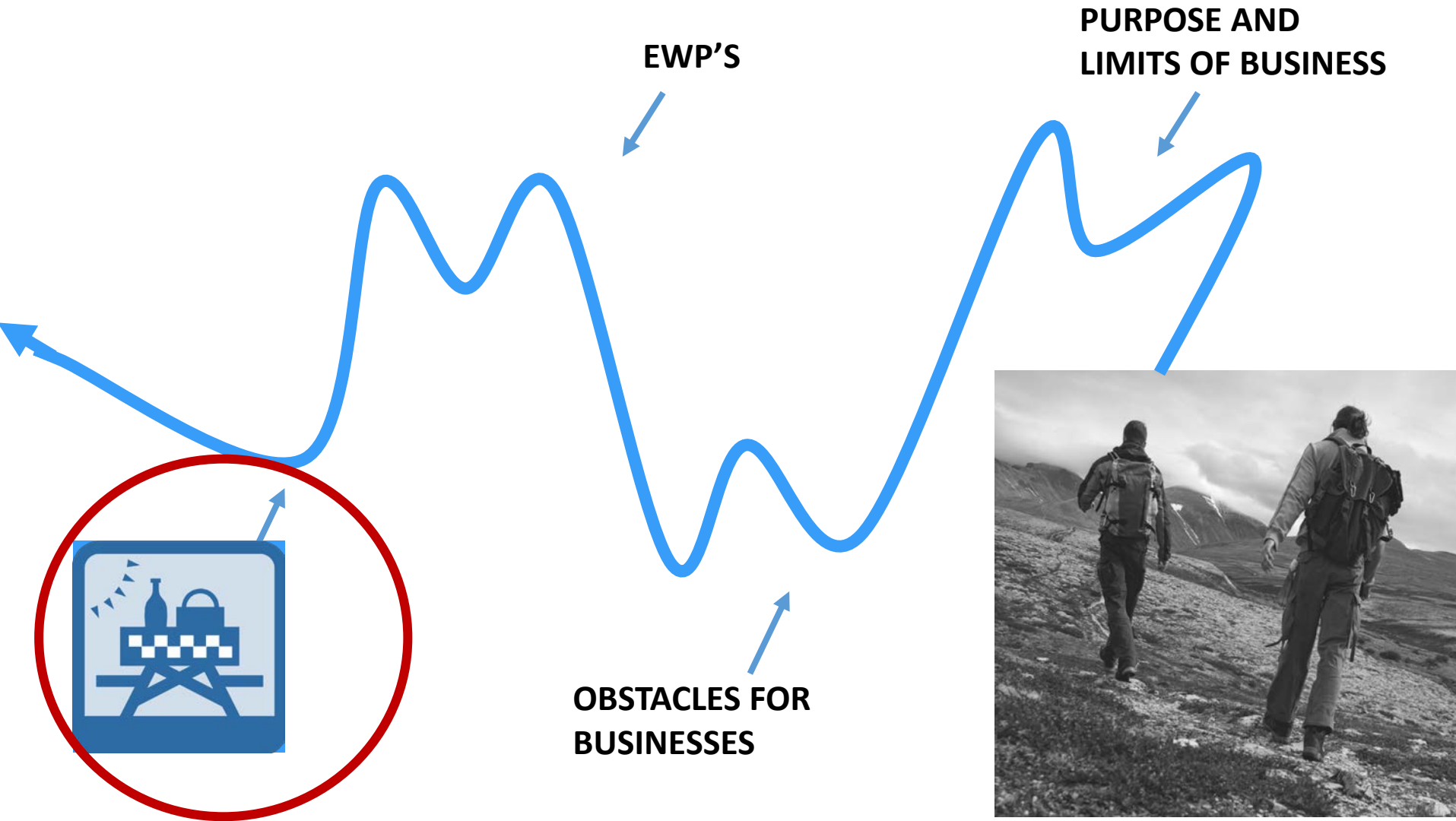
Productivity:

A growing pie, not win-lose

Opportunity:

Redressing poverty and enhancing human flourishing

Pathway for my talk





Thank-you

- Questions?

Why has the church gone missing?

- Lack of knowledge
- Zero-sum orientation
- Focus on reconciliation to the detriment of creation
- Gap between proclamation and

