



PRIVATE PROPERTY

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We have all seen signs that say, “Private Property: Keep Out,” or, “Private Property: No Trespassing.” Seeing such a sign is not likely to make you leap for joy. But perhaps it should. Private property laws have been a key—maybe even *the* key—to the economic flourishing of the West.

To understand why, let’s look at the biblical teaching on this topic and examine how this affects our economic perspective.

BIBLICAL EMPHASIS OF PRIVATE PROPERTY

Two of the Ten Commandments implicitly uphold private property. “You shall not steal” and “You shall not covet” prohibit both the desire to steal and the actual theft of private property.¹ Of course, without private ownership, there can be no stealing. Minimally, the prohibition of stealing means that it is wrong to take someone else’s property without his or her permission.

Divine prohibitions against moving boundary markers occur five times throughout the Old Testament. Deuteronomy 19:14 says, “You shall not move your neighbor’s boundary stone which the ancestors have

set.” This injunction is repeated in Deuteronomy 27:17: “Cursed is he who moves his neighbor’s boundary mark.” Proverbs 22:28 says, “Do not move the ancient boundary which your fathers have set,” and Proverbs 23:10 warns, “Do not move the ancient boundary or go into the fields of the fatherless.” Note also Job 24:2, which includes in a list of those that do evil: “Some remove the landmarks; they seize and devour flocks.”

The story of the prophet Elijah’s rebuke of Ahab and Jezebel for the murder of Naboth and their acquisition of his vineyard is a classic biblical story of theft in 1 Kings 21. King Ahab saw Naboth’s vineyard, which was close to his own, and coveted it. Ahab offered either to exchange another vineyard for Naboth’s or to buy it from him. Naboth firmly refused, saying, “The Lord forbid me that I should give you the inheritance of my fathers.”ⁱⁱ

Jezebel found Ahab sulking on his bed and devised a plan to kill Naboth and steal his land. She proposed a feast with Naboth as the guest of honor, “at the head of the people.”ⁱⁱⁱ During the feast, “worthless men” would be seated around him to accuse him of cursing God and the king. The plan was executed and it succeeded. Naboth was stoned, and Ahab acquired his coveted vineyard.

Elijah, however, pronounced severe judgment on Ahab and Jezebel for this wicked deed.

Naboth’s concern to preserve the inheritance of his fathers is underlined again in Leviticus 25:23: “The land, moreover, shall not be sold permanently, for the land is Mine.” In the broader biblical picture, God is, strictly speaking, the owner of all of the land. He appoints believers as his stewards and expects them to exercise creative rulership or dominion with the land they are given.^{iv}

In the context of Leviticus 25, the Promised Land was divided among the tribes and among families within the tribes. The setting was, of course, the largely agrarian and tribal culture of ancient Israel after the Jews settled in the Promised Land. The original plots of land were to remain perpetually with the original owners. The Jubilee laws set out by the Old Testament mandated that no matter how irresponsible a family member might be, the land would come back to the biological family every fifty years.^v Jubilee laws are no longer applicable today since our economy is neither tribal nor agrarian, but they do underscore the sanctity of private property in that time.

The prohibition against stealing was not, of course, unique to the ancient Jews. Old Testament scholar Walter Kaiser notes that “Rome made this crime one that was punishable by death, so seriously did they view such an action.”^{vi}

Christianity inherited this prohibition:

- In the New Testament, Jesus reiterates some of the Ten Commandments including, “Do not steal,” to the rich young ruler.^{vii}
- After meeting Jesus, Zacchaeus promises fourfold restitution to those he has defrauded.^{viii}
- In Romans, Paul argues that the eighth commandment is part of what it means to love your neighbor as yourself.^{ix}
- In 1 Corinthians 6:9-10, Paul lists *habitual* thieves as those who will not inherit the kingdom of God. Paul clearly states, “He who steals must steal no longer; but rather he must labor, performing with his own hands what is good, so that he will have something to share with one who has need.”^x

It is evident that the New Testament restates emphatically the prohibition of theft which clearly implies the upholding of private property. Moreover, the controversial passage in Acts 2-5 does not constitute an exception to this, as the early believers retained private property while being generous with their possessions and *voluntarily* sharing what they had through what seems to have been a temporary arrangement.^{xi}

Christians have accepted the biblical prohibition against theft and have continued to work out its implications. According to Kaiser, “John Calvin found removing the boundary stone to be an act of double deceit, for it was both an act of theft and one of false witness.”^{xii}

IMPLICATIONS

While there is near-universal prohibition against theft in various religious traditions, it should come as no surprise that private property laws would be most richly developed in the Christian West. These laws follow quite naturally from the Christian worldview, and are essentially a political and economic interpretation of this biblical truth. The biblical teaching on private property has implications for our economic perspective. To put it bluntly, if private property is good then Marxism is bad. Marx declared in his *Manifesto of the Communist Party* that “the theory of the communists may be summed up in a single sentence: Abolition of private property.”

Marxism violates another biblical principle, namely that of limited government.^{xiii} If we are committed to the two principles of private property and limited government, then we should reject both socialism and large government. This is just one way in which our perspective on private property has profound implications for political and economic theory. Moreover, we now know how important these two moral principles are for economic freedom and prosperity.

PRIVATE PROPERTY AND POVERTY

The centrality of private property in addressing poverty is addressed in a brilliant and groundbreaking book by Peruvian economist Hernando de Soto titled *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*. He argues that even the poorest nations have more than enough assets to be successful. He estimates that the total value of the real estate owned formally or informally by the poor in the developing world is \$9.3 trillion.^{xiv}

So why do so many remain so poor? There are many factors that contribute to poverty, but de Soto argues that the legal status of the assets of the poor in the developing world is a primary problem. These assets, such as they are, remain dead assets. Land only becomes property when there are property and titling laws in place that are widely recognized. In order to be made alive and active, in order to become *capital*, the land under the feet of the poor—much of which lacks formal ownership—needs to be formalized through property laws that allow these assets to be used for credit like allowing mortgages, loans, etc. This is the

mystery of capital that has allowed so many countries to eradicate absolute poverty and enjoy widespread wealth.

We take these things for granted in the West. Theologian John Schneider puts it well:

In the United States an ordinary teenager lacking all maturity, insight, or any remarkable skill at anything, can slide a credit card into a gas pump slot and draw immediately on the magical mystery of capital. His parents take for granted that they can have a mortgage, or loan on their business, that will enable them to secure among many other things, the requisite four years in college.^{xv}

But in order to have this kind of credit, one needs secure private property laws, a fixed address for sending bills and collecting taxes, a basis for checking credit history, access to public utilities, and a basis for mortgage based on securities that can be sold. Since we have inherited all these things, we often take them for granted.

In poorer nations, these conditions either do not exist or exist in a very imperfect form. The process to acquire formally owned property can be daunting in these places. De Soto says that the procedure to formalize property in the Philippines could:

Necessitate 168 steps involving 53 public and private agencies and taking thirteen to twenty five years...In Egypt, the person who wants to acquire and legally register a lot on state-owned desert land must work his way through at least 77 bureaucratic procedures at thirty-one public and private agencies...This can take anywhere from five to fourteen years...Total time to gain lawful land in Haiti: nineteen years...Yet even this ordeal will not ensure that the property remains legal.^{xvi}

Starting a business in these countries can be just as difficult and frustrating. For instance, de Soto and his team tried to open a small garment shop with one worker in Lima, Peru. The team worked six hours a day, and it still took 289 days. The cost was about three years' salary.^{xvii} De Soto says:

Imagine a country where nobody can identify who owns what, addresses cannot be easily verified, people cannot be made to pay their debts, resources cannot conveniently be turned into money, ownership cannot be divided into shares, description of assets are not standardized and cannot be easily compared, and the rules that govern property vary from neighborhood to neighborhood or even from street to street. You have just put yourself into the life of a developing country or a former communist nation.^{xviii}

Clearly, establishing easy, quick access to clearly documented property rights is a crucial pre-condition for moving a country from poverty to prosperity.

Ignoring this insight could cause decision-makers to misdiagnose the source of poverty in the developing world, prompting them to try to solve this problem with foreign aid or different trade policies. These things may do some good, but without clear rights to private property, the poor as a whole are unlikely to escape poverty.

CONCLUSION

Signs that designate private property in the West are more than mere taboos. They symbolize a whole system of laws and cultural mores that have developed over time. These are rooted in biblical teaching and should provide an interpretive key to our economic views.

From the biblical teaching on private property and limited government, it naturally follows that belief in Marxism, socialism, and a large state is wrong.

Private property laws also point toward the solution. A key to addressing poverty worldwide is an establishment of clear and enforceable private property laws.

Many Western states enjoy private property laws and have flourished because of them. The next time you see a private property sign, remember that this has been a biblically based key to the West's success, and it is one that we should commend to the developing world.

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ⁱ Ex. 20:15; 20:17.

ⁱⁱ 1 Kings 21:3.

ⁱⁱⁱ 1 Kings 21:9.

^{iv} Gen. 1:26-28.

^v Art Lindsley, "Five Myths about Jubilee," Institute for Faith, Work & Economics, <http://tifwe.org/resources/five-myths-about-jubilee/>.

^{vi} Walter C. Kaiser, Jr., "Ownership and Property in the Old Testament Economy," <http://tifwe.org/resources/ownership-and-property-in-the-old-testament-economy/>.

^{vii} Mark 10:9; Luke 18:20.

^{viii} Luke 19:8.

^{ix} Romans 13:9.

^x Ephesians 4:28.

^{xi} Art Lindsley, "Does Acts 2-5 Teach Socialism?" Institute for Faith, Work & Economics, <http://tifwe.org/resources/ownership-and-property-in-the-old-testament-economy/>.

^{xii} Kaiser, "Ownership and Property."

^{xiii} For a thorough examination of the biblical arguments for limited government, see Art Lindsley, "Government: Small or Large?" Institute for Faith, Work & Economics, <http://tifwe.org/resources/government-small-or-large/>.

^{xiv} Hernando de Soto, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* (New York: Basic Books, 2000), 35.

^{xv} John R. Schneider, *The Good of Affluence: Seeking God in a Culture of Wealth* (Grand Rapids: Wm. B. Eerdmans Publishing Co., 2002), 218.

^{xvi} de Soto, 20-21.

^{xvii} *Ibid.*, 20.

^{xviii} *Ibid.*, 15.