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& ECONOMICS

WHY ECONOMICS MATTERS

A Video E-Guide

ANNE BRADLEY, PHD

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Published by the
Institute for Faith, Work & Economics
8400 Westpark Drive
Suite 100
McLean, Virginia 22102

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WHY ECONOMICS MATTERS

A Video E-Guide

By Anne Bradley, PhD

The Institute for Faith, Work & Economics has released a new video, “Why Economics Matters” (available at www.WhyEconomicsMatters.com). In this short guide, Anne Bradley dives deeper into why economics matters for good stewardship and living out our God-given purpose.

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Do you lie awake at night worrying about the trend of the gross domestic product (GDP)? I’m a professional economist and GDP trends don’t keep me up at night. As Christians, we know that we should be anxious about nothing. So let’s ask a different question: how many of us pray over GDP? Not many.

We don’t pray about GDP because it is remote, complex, and unrelated to our daily lives. What we do worry about and pray over are the daily decisions of our lives. *What classes should I take? Where should my family attend church? Should we move to a new city? What kind of car can I afford? If I get sick, will I be able to get medical help?*

We face these questions every day. Some are big: “Whom should I marry?” Some are small: “What should I have for breakfast?” But, they all matter because together these decisions make up the fabric of our lives.

We live in a world where we must reconcile our needs and wants with limited resources. Simply put, human decision-making is the essence of economics. In this regard, economics becomes highly personal, even if GDP still seems distant.

For the believer, economics concerns making God-pleasing decisions about everything from breakfast to a spouse. The consequences may be different for making these decisions, but they all matter.

GENESIS ESTABLISHES OUR PURPOSE

Genesis helps us understand why the economic way of thinking is so important for what God asks of us. We serve a God who loves us and created us for a purpose: his glory. It sounds simple, but it’s hard to fulfill.

Genesis 1:26-28 explains our purpose and job description:

Then God said, “Let us make mankind in our image, in our likeness, so that they may rule over the fish in the sea and the birds in the sky, over the livestock and all the wild animals, and over all the creatures that move along the ground.” So God created mankind in his own image, in the image of God he created them; male and female he created them. God blessed them and said to them, “Be fruitful and increase in number; fill the earth and subdue it. Rule over the fish in the sea and the birds in the sky and over every living creature that moves on the ground.”

God is clear about who we are and why we are here. We are made in his image, which means that we imitate him, the master creator of the universe. We have the ability to create and the responsibility to rule. God calls us to be fruitful and cultivate his creation by using the gifts that he has given us, but our sin prevents us from doing this perfectly. Even so, God does not need us to cultivate his creation for him. He could have done that on his own much better than we ever can. Yet he created us as a beautiful reflection of his love, and he desires to be in relationship with his people. God is a relational being; made in his image, so are we.

Being fruitful requires that we understand who God created us to be and that we discern his purpose for us. Because we are made in his image, we are unique. No two snowflakes are alike just as no two humans are exactly alike, even though we bear many similarities.

In his infinite wisdom and creativity, God made you irreplaceable. We should take this seriously and work to understand our limitations and responsibilities. While many people may have similar education, skills, and job interests as you, you will always bring gifts to a job that no one else can.

You have purpose and a responsibility to use your gifts to cultivate what God created. This inherent responsibility comes from being made in the image of God. Your work matters, even if it is a so-called “secular” job like software development or accounting. When we study Genesis, we see that there are no secular jobs. If you are an accountant, you are poised to serve others with your gifts so that they do not have to figure out how to be accountants themselves. After all, if we all had to figure out everything on our own, we would never leave the house.

WE ARE INTERDEPENDENT

We are commanded to use our gifts to serve others and cultivate God’s creation, but we are limited in this pursuit. Today it is easy to believe the lie of complete independence. Independence runs against our created order. We can only do a few things well; we need each other. God created us to come together and help each other by using our gifts and creativity. This is interdependence. To do this well, we need a system that will help bring us together.

Heeding our responsibility to steward our gifts with our limited abilities requires us to make God-honoring decisions. When we do this well, we glorify God, serve others, and contribute to greater levels of human flourishing. When we take our focus off God and make self-centered decisions, flourishing becomes more difficult.

At its core, economics is the study of how people make decisions under conditions of scarcity and uncertainty. We need incentives, or motivation, to choose to serve others rather than take from them. Christians get this motivation from Scripture when we understand our marching orders in Genesis. However, this also requires a system that encourages all people – Christians and non-Christians – to use their gifts to serve others.

ECONOMIC EXCHANGE REQUIRES ECONOMIC FREEDOM

Economic Freedom, which is best understood as a society with abundant opportunities for people to use and develop their skills, is the best system that allows individuals to live into who God created them to be. Some are called to work in the home, some in the church, and others in the for-profit sector to sell their talents in the service of others. Societies with economic freedom allow individuals to make decisions, such as going to college, getting a summer job, moving to a new city, or launching a business.

These are the daily decisions of our lives, and they all come with costs. When we make a decision, we always face a tradeoff or a cost. Scarcity is the reality of human life. We can’t satisfy all of our desires, so we must choose. Economics helps us weigh the costs and benefits of every choice so that we can prudently use our time and resources in the most effective ways possible.

Economics is part of everything we do, especially making God-honoring decisions. It is less about GDP and more about how to make decisions—small and large—that glorify God and bring about more human flourishing.

If you live in the United States, you are blessed to live in a country with a relatively high level of economic freedom that gives you a great deal of personal autonomy. You can decide what you want to do with your time, your money, and your life.

ECONOMIC FREEDOM LIBERATES US

If you want a glass of water in the morning, you simply turn on the tap, push the refrigerator dispenser, or pull a bottle from the pantry without thinking. You don't have to fetch water from a river or lake. You don't have to haul it back home. You don't have to purify it. Strangers whom you will likely never meet have already done this for you.

The next time you walk into the grocery store, stroll down the bottled water aisle. Hundreds of bottles of different sizes, brands, and tastes wait for you, neatly stacked and packaged. You have countless options for a life-saving item that you likely think very little about. Why? Because you live in a system of economic freedom where others have incentives to serve you. You don't have to know them to trust them. You simply purchase, open, and enjoy. The consumption of water becomes seemingly insignificant – a true blessing – and yet it is quite profound.

This is the same idea as the cup of coffee that is consumed in the video. I have alternatives and options: I can brew my own coffee or, on days when I am pressed for time, I can purchase it already brewed. These alternatives free me by giving me more options for how to use my time.

Many today work hard for drinking water and their options are limited, particularly women in the developing world. Water collection in this environment is painstaking and requires almost all of one's daily calories. This is a terrible injustice because it is not necessary. It results from low levels of economic freedom and, in turn, produces greater human suffering. These women are made in the image of God and should be free to fully develop their gifts and talents. Spending all day collecting water limits this.

Economic freedom through the operation of free market exchange saves lives because it allows us to live into who God made us to be. It frees us from things we are not good at doing and allows others to step in and serve us. It allows us to focus more on our God-given creativity so that we can serve others for the advancement of human flourishing. It allows us to live into God's design for us and his creation.

My own story of the premature birth of my daughter and her survival is an example of the benefits that we receive from strangers who live together in a society with relatively high levels of economic freedom. People are encouraged to solve problems, like feeding three-pound babies through a tiny tube so that those babies have the best survival rates possible.

Economic freedom is the framework in which economic exchange works best. A simple understanding of the economic way of thinking provides the navigational tool for making better decisions so that we can work harder each day to do what God has created us to do. In these efforts, we are served and have the privilege of serving others. ■

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Want to keep learning? Check out IFWE's "Wealth & Poverty" Learning Collection, a series of blogs, podcasts, and videos available on our website. You'll find answers to such questions as: What does the Bible say about wealth, poverty, and justice? Does capitalism promote greed? How does my everyday work help or hurt the poor? Are competition and profit good or bad? Explore answers that are grounded in economic and biblical principles.

ABOUT THE AUTHOR

Dr. Anne Rathbone Bradley is the vice president of economic initiatives at the institute, where she develops and commissions research toward a systematic biblical theology of economic freedom. She is a visiting professor at Georgetown University, and she also teaches at the Institute for World Politics and George Mason University.



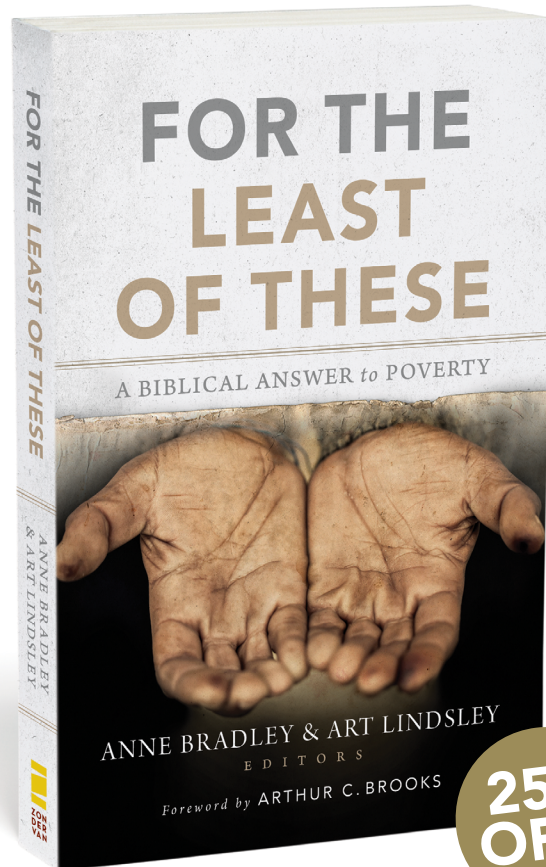
Additionally, she is a visiting scholar at the Bernard Center for Women, Politics, and Public Policy. Previously, she has taught at Charles University, Prague, and served as the associate director for the program in economics, politics, and the law at the James M. Buchanan Center at George Mason University.

She is an editor of and contributing author to IFWE's recently released book, *For the Least of These: A Biblical Answer to Poverty*. In her chapter, Dr. Rathbone Bradley examines income inequality from both an economic and biblical perspective and provides guidance to Christians on how to respond, particularly through our vocations.

Dr. Rathbone Bradley's other academic work has focused on the political economy of terrorism with specific emphasis on the industrial organization of al-Qaeda. Her research has been published in scholarly journals and edited volumes. She is currently working on a book that analyzes the political economy of al-Qaeda post-9/11. Based on her academic research, she also worked as an economic analyst for the Central Intelligence Agency's Office of Terrorism Analysis.

Dr. Rathbone Bradley received her PhD in economics from George Mason University in 2006, during which time she was a James M. Buchanan Scholar.

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*For the Least of These:
A Biblical Answer to Poverty*

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ABOUT THE INSTITUTE FOR FAITH, WORK & ECONOMICS

The Institute for Faith, Work & Economics™ (IFWE) is a nonprofit, 501(c)(3) Christian research organization committed to promoting biblical and economic principles that help individuals find fulfillment in their work and contribute to a free and flourishing society.

IFWE's research starts with the belief that the Bible, as the inerrant Word of God, provides the authoritative and intellectual foundation for a proper understanding of work and economic truths that, when properly followed, can help individuals, companies, communities, and nations flourish.

IFWE's research is based on three core principles:

1. Each person is created in God's image and, like him, has a desire to be creative and to find **fulfillment** using their God-given talents through work.
2. All work, whether paid or volunteer, matters to God, and we as Christians are called to pursue excellence throughout the week—not just on Sundays—stewarding all that we've been given for God's glory and for the **flourishing** of society.
3. Therefore, we as citizens must promote an economic environment that not only provides us the **freedom** to pursue our callings and flourish in our work but also reflects the inherent dignity of every human being.

Our desire is to help Christians view their work within the bigger picture of what God is doing in the world. Not only do we help Christians find personal fulfillment, but we also help them understand how to better alleviate poverty, address greed, and view possessions properly. With a biblical view of work and economics, we can partner together to be meaningful participants in God's plan to restore the world to the way he intended it to be.

START HERE

The Institute for Faith, Work & Economics provides many resources to help you live a life of freedom, fulfillment, and flourishing. These tools are designed to fit into your life and provide biblical encouragement and guidance to your walk with God.



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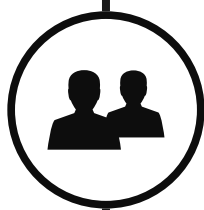
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