

A Theological Evaluation of Investments

A condensed, interpretive summary of The Ethics of Share Investment: Should a Christian Invest in the Share Market? Full article available at: <https://www.cerc.com.my/resources/the-ethics-of-share-investment/>

GODLY WORK PARTNERSHIP

Genesis yields two culture-transcendent truths about created earthly life. In perfect creation, God's abundant provision comes with input from his creatures. Although all provision is sovereignly given (Gen 2:9), man is mandated to 'work and take care' of the (penultimate) source – the Garden (Gen 2:15). This 'working' was ordained before the Fall and so it appears that work is intrinsically part of the good ordering of man.

What especially interests us is that this good work is corporate. Adam had a 'helper' (Gen 2:18). Eve was given not to cure Adam's loneliness, but to partner him in his God-given task. This gardener-helper relationship was not reciprocally identical – there was authority and submission within it. Harmony and intimacy marked this partnership (Gen 2:23-25). Such a partnering contrasts with individualistic and competitive views of work, and also with views that reject any differentiation (interpreted as inequality) in partnership.

Such harmonious partnership disintegrates with sin. As relationships in the world degenerate into opposition and battle instead of concord and partnership (Gen 3:4), work partnerships are tainted by oppression and bitterness. There is a breakdown of trust between man and woman, the first partnership, whereby they are doomed to an eternal power struggle (Gen 3:16). Egypt later displayed paradigmatically the horror of human partnerships in work, with the oppressive slavery of the Israelites (Exod 1:11-14). The master-servant relationship is now rife with callous lordship and dehumanising subjugation.

Ironically, the era of disturbed working relationships was also one of ripe progress. Cities were built, tools invented (Gen 3:22). Self-interested humanity still exhibits an urge to band together in partnership (Gen 11:3), epitomised in Babel. This banding together, however, is a mockery of the original Edenic partnership. Instead of partnering to serve out God's purposes, humanity gathered in a mighty anti-God, hubristic effort (Gen 11:4). Thus, work partnership can now be both anti-men and anti-God.

Despite this, good work partnerships still manifest occasionally. We see hints of that in Abraham and his chief servant (Gen 24). This servant had Abraham's trust, being 'the one in charge of all that he had' (Gen 24:1). He was also entrusted with the task of getting an Israelite wife for Isaac, a task significant for its familial value and its spiritual value – it is one in obedience of God's commands. The servant's prayer showed his accord with his master (Gen 24:12-14). So here is a small picture of a faithful helper with his master, working together towards achieving a godly purpose.

God's concerns for the weak and for integrity, from the OT

Israel's law reveals Yahweh's concern for the weak in work partnerships. Servants are to go free in the seventh year, thus preventing life-long hard servitude (Exod 21:2). The Deuteronomic expansion shows this setting-free is to be accompanied with liberal generosity ('you shall garland him!'), to give the freed servant economic viability (Deut 15:12-15). Employers are to ensure their hired men are prevented from hardship by not holding back their wages overnight (Lev 19:13; Deut 24:14). Israelites are commanded to 'not rule over your fellow Israelites ruthlessly' (Lev 25:43; 46) on the basis that they are Yahweh's servants.

Moreover, Yahweh cares also for the weak in proximity with those with working authority. He commands owners of fields to use their property for the weak around them. They are to let their fields, vineyards and olive groves lie unploughed and unused in the seventh year, so the poor may get food from them (Exod 23:10). When harvesting, they are not to maximise their own gain by reaping to the edges but to leave them for the poor and the alien (Lev 19:9; Deut 24:19). When selling food to the poor Israelite, they are to remember his need and not take interest or sell food at a profit (Lev 25:37). Boaz, a 'man of standing' (Ruth 2:1), exhibited such gracious land-ownership in his God-like hesed treatment of Ruth, even instructing his workers to pull out stalks from the harvest and leave them for her (Ruth 2:16).

God also demands integrity from the worker, especially those with authority to conduct their own business. In business, one is to use honest scales and weights (Lev 19:35). This is part of a bigger principle of acting rightly with people one conducts business with – the Israelites are exhorted not to take advantage of one another (Lev 25:14) but to deal with integrity, out of the fear of Yahweh. Yahweh detests those who have differing weights, those who deal dishonestly (Deut 25:13-16).

Summarising at this point, we see that even with the increasing complexity and corruption of work partnerships, Yahweh's will continues to be that shown in creation – that of a loving, harmonious partnering in good work that reflects His glory and rule. Work partnerships are not intrinsically evil but come with clear relational duties and obligations as those who are *given* these responsibilities, particularly on the one with authority. Authority and power thus come with the duty of care, over those in partnership, those whom the business comes into proximity with, and those whom you conduct business with. Thus, biblical authority is one that uses its 'strength' to love neighbour, in an acknowledgement of God's will and purposes.

God's purpose for work fully shown in the partnership of Jesus and His church

In the NT, when the Word of God dwelt among men, he shows us godly authority par excellence. Jesus wielded his authority for the sake of others, healing, exorcising, teaching, and bringing them to his Father. His loving headship is most clearly shown in his relationship to the church. Jesus provides the paradigm for the ultimate partnership – marriage. The model that Christ provides for the head of the partnership is that of costly, self-sacrificial love in the service of the holiness of His church (Eph 5:22-33). Such a paradigm mirrors but ultimately expands the character that the original Edenic partnership was meant to carry.

Thus in the NT, economic authority continues to come with responsibility. The Pauline household codes are especially instructive (Eph 5:5-9; Col 3:22-4:1). In those times, slavery was 'an aspect of an economic institution'. The household was the most important unit of economic production, and slaves allowed expansion beyond its biological capacity. Paul's admonition to slave-masters is 'remarkable, in comparison with secular parallels, for its concern with the kindness and 'other-regard'. Masters are to provide justice and fairness to slaves, without threats and manipulation. They should do so because they are answerable to a higher master, the Lord Jesus. Thus, the way that masters relate to those in their authoritative care is weighty, accountable. In a profound way, Christ's Lordship over the lives of both slaves and masters changes the dynamic of that relationship, whereby both are equally beneficiaries of His grace.

Investment as Stewardship in Partnership, for God

Drawing these threads together, we see a coherent biblical picture concerning work partnership. Work and work partnerships are inherently good for human existence. Even with the Fall and the increasing complexity of work partnerships, they are not intrinsically evil, but the people of God are

called to conduct them in a godly fashion. In particular, those wielding economic authority are called to exercise the duties of care that comes with authority – to those in partnership with them, in proximity with them and in exchange with them.

Godly stewardship in partnership is thus the mode of investment, whereby we partner to carry out production and economic activity for God’s gospel purposes and for the common good. It ties into the divine mandate for humanity to rule under God, and is a mode of expressing, sustaining and enabling through right appropriating of God’s good provision.

Therefore, our savings and investments into assets/channels to generate economic activity will need to be considered in light of God’s kingdom purposes. Investment into assets allows us to act as faithful stewards of God, and at the same time being fruitful by returning us good yield in the output of that the asset can generate. Hence being faithful with our money demands that we use it relationally, and not solely for financial maximisation.

OUR CULTURAL AND ESCHATOLOGICAL CONTEXT

Typically, we view savings primarily as a good activity which wisely recognises the contingent nature of the future. However, if we put savings in the bigger framework of humanity’s mandate of work, savings as left-over provisions from consumption and sharing can become another avenue to contribute towards our mandate of work. Just as it is wise not to use all our income for immediate use and save for a rainy day, it can also wise to direct it back into the production cycle for sustainable growth. Consider the noble wife – ‘out of her earnings she plants a vineyard’ (Prov 31:16). This injection of ‘capital’ back into the productive cycle is praised as part of her general godly economic wisdom which allows her work to be fruitful, so that she can provide for those around her.

Today, the very reason we need to understand the capital markets, such as REITS (for real estate), share markets, ETFs, mutual funds is because the world is monetised and these are the likely the channels where we could place our savings as investments.

The question of investing for a Christian now becomes: how can we channel our savings in the most godly, responsible and loving way? There is no easy answer. A brief consideration of the options shows that all have a sting in their tails.

There are a few possibilities. Firstly, a Christian could choose not to channel savings into production e.g. storing money under the bed or buying fixed assets (e.g. real estate). Secondly, he could channel savings into production via investing in businesses outside of the capital markets e.g. starting up his own small business. Thirdly, he could channel savings into production via the capital markets, either directly or indirectly through banks which invests in debts and equities Fourthly, he could channel savings into the training and building up of personal skills to increase productivity of a person to generate greater income in and outside of work (freelancing).

Investment options	Stewardship for love and care	Increase in production in the economy	Capabilities/Gifting
Storing money under our bed or non-productive assets	✓	✗	-
Investing into our own business	✓	✓	?

Investing into the capital markets, e.g. share market	✗	✓	?
Investment into skills for long term personal growth	✓	✓	?

1st option

Firstly, if we choose not to channel savings into production, we might be able to escape the relational responsibilities of owning production. However, the question becomes then whether it is really godly to entirely escape the production cycle with our savings, when production is a godly mandate. Hoarding away money (which even investing in durables has traces of, because its character is more consumption than new production) can also be anti-social because it deprives the community of goods and employment being generated. Moreover, inflation adds to the wastefulness of hoarding. Because money is an artificial measure, its commensurability with underlying goods diminishes with inflation. With mere hoarding, a fixed sum represents a shrinking bundle of goods i.e. its potential to contribute to further productive activity is lowered. It is almost like letting a tenth of a bushel of seed grain go bad.

2nd option

The second option has many attractive points. It allows constructive production without the relational distance of a public corporation. In small businesses, owners will typically have more avenues to exercise duties of care, and steer the business' economic relationships. However, in terms of gifting or 'vocation', actively running a business might not be what everyone should pour energy into. Some might also not be able to harness the business well enough for real productivity. And many times, our capital is just simply not large enough, or opportunities not readily available for this to be a serious option.

3rd option

As for investment into the capital/share markets, a shareholder possesses little control over the company's workings, direction, goals, relationships. From the contract of limited liability, he also signs up to a structure which shields him from taking on full risk and fulfilling all the debt obligations of a corporation. Although this shields him from bearing the responsibility of the corporation's executive decisions- he also bears less personal risk, which makes it difficult for him to fulfil his duties of care as a joint-owner of a business.

In particular, the shareholding system has a built-in relational distance that arises from the separation of ownership from responsibility, thus separating the owner from the day-to-day work of the corporation. This distance does not enable a loving way of participating in good and beneficial production for the godly sake of others. Instead it runs the risk of encouraging a utilitarian, anti-social and irresponsible grasping at production for its own sake.

4th option

As for investing in personal skills, this can also be an attractive option, similar to the starting your own business where we can exercise duties of care and allow for constructive production. At the same time, this option comes with more flexibility as this can be done part time. Again, one needs to

consider the skills he has, and is able to train and build up that can lead to a good value within the economy.

Considerations of effort and time needed to build these skillsets should also be taken to account, along with the value of retaining these talents for a long period of time. For most skillsets, investment in these naturally generates productivity in the form of service to others, as well as higher wealth that can be used for God's kingdom purposes. The excess income gained from this option could then be channelled into investments in other options.

ETHICS IN A FALLEN WORLD

To conclude, the nature of the Fall reminds us that investments in economic partnerships will be flawed. Systemic imperfections in the financial systems make it almost impossible to find an investment avenue which promotes good, loving and responsible production. Yet in light of the gospel reality of Jesus' lordship, we can direct our investments in a manner that aligns with His kingdom purposes.

For the case of monetary or non-monetary investment, our ethics will therefore be *retrieval*.

A retrieval ethic takes precisely into account the fallen context in which we direct our Christian action and love. It recognises there will be situations where of necessity, 'some goods might have to be abandoned and others taken up'. The ethic then demands that in such a case, love requires us to retrieve as much good out of the situation as possible.

Such a retrieval ethic can be met with cautiousness because of its apparent similarity to consequentialism or worse, a 'picking of the lesser of two evils'. Therefore it is important to recognise that this retrieval is really an outworking of love in a provisional way for the sake of the other. It loves properly by striving to achieve the good that God has called us to (and hence is not a picking of evil) even though it cannot necessarily achieve all the good it possibly can.

This means, that even as we recognise a corporation's significant productive role, we could still be willing to incur the cost of less corporate production, albeit its effectiveness, for the sake of *better* production.

Hence, a Christian might still not choose share-investment as a first option. Christians need to think seriously about other options available in his own context, and to strive for 'better investing' through use of the 4 options. Such an evaluation of options might mean using a smaller proportion of our savings in the share-market, and into ethical investment funds instead.

Conceivably, some Christians might consider not investing in shares at all, if the relational costs are too high, and choose to they could make better use of the wealth of their skills and time instead.

PRACTICAL IMPLICATIONS: AN EXAMPLE OF SHARE INVESTING

This brings us to the application on how Christian should invest. A framework of retrieval rather than consequentialism means that if, for example, we choose share investments, this should flow from us deeming it as a way of retrieving the most good with our personal monies and wealth. This means our investing mind-set should be radically different from the world. Instead of seeing ourselves as mere owners of neutral capital, we will be conscious that investing our excess income is a morally weighty action.

This weightiness should spur us towards a different kind of share-investment, one that strenuously tries to reach towards the telos of kingdom and loving relationships through any intermediate means available to us.

Typically, we invest for the sole purpose of getting maximum returns, either out of selfishness or a mistaken conception of stewardship that focuses solely on returns. Yet teleologically-oriented stewardship requires production that promotes the growth of God's kingdom. Thus, our investing criteria should change from 'what is financially good' to 'what is relationally good' in accord with God's kingdom purposes.

What should the relational criteria of monetary investments therefore look like?

Negatively, it means investment-evaluation should not be a mere monitoring of prices to predict their future direction, or through mere ratios to unearth the company or real estate with the best financial value. To emphasise these criteria in a self-interested way is akin to gambling as it neglects the corporation's productive activity in line with God's mandate from Genesis 1-2.

Positively, we should assess what we are investing in, in light of how well they achieve their relational duties and telos. A conscientious attempt to understand the product, the company's employee practices, consumer policies and social policies, is a way to retrieve some good from the restriction on our ability to fulfil our rightful duties of care. Though corporations are profit-maximising, their products and practices can be socially responsible due to the value the product brings for the common good. This still falls far short of the relational telos any economic agent should have, but it offers a retrieval of our current economic system.

Therefore, practically speaking, potential investors should therefore be prepared to put in the hard work of research, and also implies a wisdom of investing in fewer companies.

CONCLUSION

Our modern-day investments can be rife with anti-social influence, which can lull us into forgetting the God who gave us the earth to steward, and who stands behind all our economic actions. So we may invest unthinkingly, enjoying its fruits in good times without lamenting its costs. And when bad times confront us, we can be unthinking about our own roles and point our fingers at the bankers, the CEOs or the 'golden calf of the corporation'. We forget that the calf is our projection, our sin.

In investments, we therefore have a call to remember. In the complexity of living in our modern fallen world, we might not have easy answers. But what is clear is the need for us to be re-orientated back towards God's good purposes. It is time to remember our God-given stewardship and responsibility of love in our production, work, wealth. May this remembering help change us in our relationships, investments, and yes, even our shareholdings.