Most Americans would agree that the government should promote economic growth. The Preamble of the U.S. Constitution reads – “We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.” Our Founding Fathers thought this proposed system of government would have an end result in the items listed in the Preamble. “General welfare” means health, happiness, prosperity or well-being ... a supposed result of good government, not a cause of government. To say that “general welfare” is a legislative objective (cause) is contrary to our Founder’s definition as a natural consequence (result) of good government. The Preamble sets forth the goal, while the subsequent Articles and Amendments clarify how we get there. Article 1, Section 8 of the U.S. Constitution refers to the “general welfare” thus: “The Congress shall have the Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common defense and general welfare of the United States ...” This does not give Congress “carte blanche” to use tax money for whatever social, economic, environmental and educational programs they might think would be good for the “general welfare.” It does not mean that Congress should create legislation that plunder the people in order to redistribute wealth or provide entitlements for certain people. Rather, our forefathers wanted to ensure a free society where the self-governed would enjoy “life, liberty, and the pursuit of happiness” as expressed in the Declaration of Independence. The Founders designed a federal system of government that provided only for the “general (non-specific) welfare” of the people (i.e., national defense) as opposed to protecting the interests of a narrow section or class of the population.

Well before this nation’s establishment some 235 years ago, there has been a vast assortment of forms of government. As to the origin, it is universally agreed the establishment of civil government is traceable back to Genesis 9:5-6 – “For your lifeblood I [God] will surely exact punishment ... Whoever sheds human blood, by other human beings [government] must his blood be shed ....” God established government for our benefit, in order to restrain evil and promote good. It is a primary responsibility of government to act as God’s servant to “do good” for the citizens of a nation. (read Romans 13:1-7) This means, in general, that God-fearing people should view the activities of government – when it rewards good and punishes evil – as something that is “good” ... when their responsibilities are carried out justly in accordance with God’s Word.

Economic growth is, in itself, morally good and part of the Creator’s original purposes for human beings in making the earth productive. “God blessed them and said, ‘Be fruitful and multiply and fill the earth and subdue it and have dominion over ... every living thing that moves on the earth.’” (Genesis 1:28) This implies that developing and producing more and better goods from the earth is an essential part of how God created and commanded us to function. Throughout the Bible, God often promised to give material abundance as a blessing to those who trust and obey Him. Jesus, in the parable of the talents (Matthew 25:15-28), talks of a master who spoke harshly to his servant who did not turn a profit on what was entrusted to him; who was lazy, who was afraid and disobeyed the command to multiply. Consequently, it is morally right for government to seek to increase the economic productivity of a nation: It helps “we the people” to fulfill the purposes for which God put us on the earth; it enables godly people to more effectively obey the commands of Scripture; it empowers God’s image-bearers to fulfill the godly desires He has put in their hearts; it assists people to work and support themselves and their family; it aids many citizens to overcome poverty for themselves; it facilitates individuals to care for those truly in need; and affords many the good stewardship of rendering with thanks-giving to
God and country what respectively belongs to them.

It's important to note at this point that the Bible is not a textbook on economics or politics. However, it is the Truth; and records the Creator's absolute knowledge of the sinful nature of His created being (humankind). Therefore, Scripture actually has a lot to say about these subjects.

Let's be clear: The Bible never says that money is evil; rather it says that "the love of money is the root of all kinds of evil." (1Timothy 6:10) Money, in fact, is good — because it enables people to buy the goods they need and sell the goods they produce on the basis of a standard medium of exchange (in our case, the American dollar) ... on which everyone in a given society agrees upon the value. If we don't have money, we would have to revert to bartering (exchanging goods) with another (i.e., produce for manufactured goods). Tell me, how many dozens of eggs or bushels of fruit would it take to arrive at an agreeable exchange for an automobile or a house? Since we no longer produce everything we need for ourselves, we need money to buy and sell ... and to enjoy the benefits of things that other people produce. Therefore, it is necessary for good government to maintain a relatively stable currency over time. But, herein, lies our nation's problem! In the U.S.A., we have an excessive increase in the total number of dollars circulating in the economy. Record-setting government expenditures (as we have witnessed over the past few years), coupled with acquiescence to finance this government by merely printing and circulating more dollars into the system (which does not represent any increase in the nation's economic wealth), has only led to increased inflation ... and thereby robbing Americans of the value of their dollars and their contracts. Out-of-control deficit spending by our government has stimulated this devaluing of our money; and such irresponsibility is morally wrong — because it is pickpocketing us, our children and grandchildren. (Our national debt translates to over $48,000 for every American.) A biblical view of government demands that elected and appointed officials take responsibility for this problem today, regardless of who created it. "The wicked borrows but does not pay back." (Psalm 37:21) Voters need to demand that Congress stop authorizing the increase of our debt ceiling, approve a "balanced budget" and that all branches of our government stay within it.

The command of God's Word is clear: "Owe no one anything ..." (Romans 13:8); the caution is that the debtor is always beholding to the lender (read Matthew 25:14-30); and the certainty is that we cannot serve two masters (read Matthew 6:24). As of 2012, the gross debt has reached $15.23 trillion, of which $4.756 trillion is intra-governmental holdings (securities held by our government trust, revolting, and special funds) and $10.48 trillion is held by the public. The total public debt outstanding is at a ratio of 100% of our gross domestic product (GDP). As of May 2011, the largest single holder of U.S. government debt was China, with 26% of all foreign-held U.S. Treasury securities (8% of total U.S. public debt). Aren't you concerned that communist China has such a financial hold on America?

The better way of solving our economic problem is to stop suppressing the free market approach (a proven element of capitalism), and get the government out of owning and controlling the "means of production." The "socialist" approach ... as evidenced in the failed communist system ... would have the government own and control not only the means of production, but also all property — so that there is no private ownership of property ("... the pursuit of happiness"), but all is owned by the government. Should the federal government own the US banking system and control every detail of it? Should the federal government run the nation's entire healthcare system? Should it run automakers like General Motors? Should it begin to set wage levels for everyone in the banking and financial service industries? A free market allows individuals to choose where they work, what they buy, how they run a business, and how they spend their money.

But a government-controlled economy makes these decisions for people rather than allowing people freedom to make them for themselves. It has been time-tested again and again: A free market is better than government-controlled at producing goods and services. The economic goods of the free market producers are of a better quality, at a lower price, and are the goods that people actually want rather than the goods that some government agency tells them they should want. Similarly, a government-controlled healthcare system would fail to provide enough of the services that people want; leading to the economic rationing of healthcare by 15 non-elected (presidentially appointed) bureaucrats (IPAB) who would determine which patients are eligible to receive what kinds of care (based on a "quality of life" rather than a "sanctity of life" criteria), and leading also to long waits for certain services.

Today, we often hear comments in the media (or in conversation with people) that simply assume that rich people have somehow gotten their wealth unjustly; so it is correct for the government to take some of their wealth from them. How many times have we heard Barak Obama on the campaign trail simply assuming (without argument) that whatever "fair" is, it must somehow be more taxes than what the rich are currently paying? The Bible does not reflect this kind of thinking, nor is there any suggestion that governments have the right to take money from wealthy people simply because they are wealthy. The emphasis in the Bible is to treat both rich and poor fairly and justly. If they have done wrong, they should be penalized; but if they have not done wrong, they should not be punished. The Bible teaches about the proper role of government: "to punish those who do evil and to praise those who do good." (1 Peter 2:14) It is unfair (and contrary to the
teaching of Scripture) to stereotype all rich people as "evil" or "probably evil," or to assume that they have somehow exploited other people and made their money in unjust ways. Are we to assume that Bill Gates of Microsoft Corporation got rich by exploiting other people or violating the law in some way? No. He became wealthy because he provided products and services that people wanted at a good price and with reliable quality. Gates competed in the free market, and consumers have wanted more and more of his products, and he became wealthy.

We must conclude that most rich people today got their money fairly and honestly, and government has no inherent right to take it from them ... unless it can be shown that they got it through criminal activity of some sort. We should not immediately assume that the top 1% is evil. (The New York Times estimated the top 1% threshold for household income at about $380,000, and for household net worth nearly $8.4 million.)

What about those other politicians (and Occupy Wall Street protesters) who say that money should be taken from the rich because, "They can afford it," or "It won't hurt them"? Here again, the teaching of the Bible is this: "You shall not steal." (Exodus 20:15) It is neither right to steal from the poor or from the rich. If you were ever to visit the home of Bill Gates and see a few dollar bills lying out in some room, it would still be wrong in the sight of God to steal even one dollar from this billionaire. It does not matter whether you determine "He can afford it," or "It won't hurt him," – because the dollar belongs to him, not to you. It is his property. It would be morally wrong to take the dollar, because God says, "You shall not steal." (Exodus 20:17)

Now there are some who believe the government should try to equalize the amount of income or possession that people have, or at least take actions that move in the direction of equality. Should it be the role of government to "take from the rich and give to the poor?"

Before addressing the question, I need to make clear that there is some need for government-supported welfare programs to help cases of urgent need. I also think it is appropriate for government to provide the disadvantaged with sufficient funding so that everyone is able to gain enough skills and education to earn a living. So with regard to some rudimentary necessities of life (food, clothing, shelter, and some education), I think it is proper for government to provide from the collective society's resources (general tax revenue) to care for the basic needs of our nation's poor (legal citizens). Again, these convictions are based on the purpose of government – to promote the general well-being of the society; and the biblical mandate of the Church to carry out the Lord's work of helping the widows, orphans, elderly, sick and poor. (read 1 John 3:17) That includes enabling every citizen to live adequately in the society. It is not based on any vague instinct that it would be "more just" to reduce the differences between rich and poor. I cannot find any justification in Scripture for concluding that government, as a matter of policy, should attempt to take from the rich and give to the poor. I do not think that government has the responsibility or the right to attempt to equalize the differences between rich and poor in a society. When it attempts to do so, history reveals significant harm is done to the economy and to the society. In a free society, with no government confiscation of wealth, the amount of money that people earn will vary widely. Therefore, if people are free from government intervention, some will become very wealthy, others will have a comfortable level of income, and some will remain relatively poor. If the economic system is relatively free, and if people are allowed to be paid fairly for the different kinds of work they do, this is simply going to be the outcome.

Imagine the idiocy of a government that would force people to have equal amounts of expendable income? They would be continuously redistribution money over and over again; taking from those who have been most frugal and most productive, and giving to those who have been least productive or who have simply wasted their money. (Think about it: If we were to redistribute wealth equally to people on a given day, some would save it, others would invest it, and still others would spend it away. Within a day, we would be right back to inequality.) Equality of possessions could not be maintained apart from penalizing good habits (hard work, productivity, frugality) and rewarding bad habits (profligate spending, wastefulness, frittering time on unproductive activities). The longer such "redistribution of wealth" continued in this hypothetical country, the more the productive people would just decide to give up (for they cannot enjoy the fruits of their labor) and the society would spiral downward into poverty and despair. The conclusion is that it should not be the role of government to attempt to equalize income or possessions among people in a society.

Let us go back to the question about what is "fair" with regard to taxes. On what basis can we decide what is fair? People may have subjective or emotional preferences for one rate or other being "fair," but those preferences will often be influenced strongly by self-interest ... rather than by some objective standard of fairness. Dr. Wayne Grudem in his book entitled Politics According to the Bible (Zondervan, 2010), illustrates it this way:

Imagine the case with taxpayer A and taxpayer B:
Taxpayer A has $50,000 in taxable income.
Taxpayer B has $500,000 in taxable income.

If we assume a flat tax rate of 20%, they pay the following taxes:
Taxpayer A pays 20% of $50,000, equaling $10,000.
Taxpayer B pays 20% of $500,000, equaling $100,000.

Would that be "fair"? If we asked taxpayer A, he would probably say
that what is truly “fair” is for him to pay $0 and for taxpayer B, who is wealthy, to pay not $100,000, but $110,000! What if we asked taxpayer B, he might say that he is paying far more than his fair share even with a flat tax of 20%. He might say, “Why should I pay $100,000 to receive the same benefits as taxpayer A when he only pays $10,000? We both get the same fire and police protection, we both use the same highways, we both benefit from the same military protection of our country, we both breathe the same air that is maintained by pollution-control standards enforced by the government, and so forth. We receive exactly the same benefits from the government, but I pay 10 times as much as taxpayer A for these benefits. How can that be “fair” for one person to pay 10 times more than someone else for the same thing?” Then a third person, taxpayer C, might think that taxpayer B should pay even more than $110,000 because, even if he pays more, he still has more money left to live on. If they both pay 20% of their income, then taxpayer A, after paying $10,000 in tax, only has $40,000 left to live on; yet, taxpayer B, after paying $100,000 in tax, still has $400,000 left to live on.

But there is a questionable assumption underlying that argument. The assumption is that taxpayer B for some reason does not deserve to have $400,000 left to live on. In fact, he only deserves to have $300,000 left to live on. And we could go further and say that he doesn’t even deserve $300,000 left to live on. He should pay the tax for 20 more taxpayers in the same situation as taxpayer A. He should pay another $100,000 in tax so that he has only $200,000 left to live on ... and so on.

It is very easy for people in taxpayer A’s position or taxpayer C’s position to assume that they have some kind of superior moral judgment that is able to decide how much taxpayer B really deserves to live on. But the question then must be asked: How do we decide what someone deserves? Do we really believe everyone somehow deserves the same amount of money to live on in the end? Of course, that would be communist totalitarianism of the worst kind ... placing everybody in the nation at the same income level and destroying incentives for work and excellence and productivity. There is a far better solution to the question of what each person deserves. The solution is this: Each person deserves what he has legally earned in each year. “The laborer deserves his wages.” (Luke 10:7) Even in the calculation of heavenly rewards from God, Paul says, “He who plants and he who waters are one, and each will receive his wages according to his labor.” (1 Corinthians 3:8) The “fair” or appropriate rate of taxation does not depend on how much each person has left after paying taxes. It is of no concern to the government how much taxpayer B has left after he pays his taxes; because that money does not belong to the government or to society, it belongs to taxpayer B.

And for those of you who think that taxpayer B earning $500,000 is too much for any one person, it is largely a matter of individual decision. If taxpayer B is an executive at Walmart, then people who shop at Walmart have freely decided to shop at Walmart enough to hire him at that rate. If he is a professional athlete, then people who enjoy sports on television or by purchasing a ticket to attend an athletic event have freely voted with their viewing habits or ticket purchases to pay him that amount. If he is a Hollywood movie star, then people who watch movies and purchase DVDs have freely chosen for him to be paid that much. Salaries are determined according to the varying market demand for certain skills and abilities. If we don’t like it, the way to change it is to change the viewing habits and spending habits of the society. Society gets what it decides to pay for.

Another way to look at the present skewing of the tax burden of the U.S.A. is to ask who pays most the taxes today. The fact is, the top 50% of wage earners paid 97% of all the taxes, and the bottom half of those who earned income paid less than 3%. The top 1% of wage earners paid 40% of the income tax. Is such a system truly “fair”? On the principle that money does not belong to government or society but to individuals who earn it, and on the principle that it is healthy when everyone pays something in taxes, such a system does not at all seem to be fair. It is steeply “progressive.” But now that people who pay almost no taxes have become a majority of the voters in the U.S.A., the stage is set for “class warfare” to continue in the same direction, so the greater and greater share of the total tax burden will be carried by a smaller and smaller percentage of the population. Given this largely subsidized majority, it’s probably a pretty safe bet that the popular vote this November will be cast for the candidates favoring increased taxation of the rich rather than governmental deregulation within the free market that promotes self-reliance.

In conclusion: As the U.S.A. continues to spiral into debt, it is better to reverse it by cutting taxes and governmental expenditures. Money retained by private citizens to use in the free market economy is always better in terms of economic growth and in terms of increasing individual liberty. Your money in the hands of the government is demonstratively wasteful and is used to increase government-control over everyone’s life. Look to and expect your elected officials to stimulate economic development without suppressing free enterprise!

So, what should you do?

Vote for candidates who believe (in principle and practice) in releasing the free market from bureaucratic bondage in economic development.

Write your elected officials to reduce taxes for everyone, decrease government spending, stop increasing the debt ceiling, and establish a “balanced budget.”

Pray for God’s people to speak the Truth and that godly wisdom will govern this nation.

“BE DOERS OF THE WORD, NOT HEARERS ONLY.” (JAMES 1:22)