## Biblical Perspectives on Free Trade Policy

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ABSTRACT: The concept of free trade is more than 200 years old with economists Adam Smith and Abbé de Condillac both arguing in 1776 the merits of trade that was free from government regulation and constraints. From that point forward, mainstream economists have maintained that economies unencumbered by government impediments, such as tariffs and quotas, function more efficiently and effectively. Free trade in practice, however, does not always benefit every party involved, particularly in the absence of competition. This analysis: a) defines free trade; b) examines the support for and challenges to the economic strategy from both a theoretical economic, and allegedly more practical, perspective; and c) compares the global worldview on free trade to biblical perspectives to determine whether there is biblical support for this economic policy. To evaluate the biblical perspectives on free trade, this paper considers broad biblical concepts that encompass the issues of regulation versus liberalization of trade policy. The paper specifically focuses on biblical directives to care for vulnerable populations, such as women in developing countries and foreign laborers, when it examines the impact of free trade . It concludes that for free trade to be biblical, participants must commit to and honor biblical principles, including caring for those in need, paying a reasonable wage, and serving God with the wealth and profits accumulated. Adhering to these principles can mitigate the negative consequences that are sometimes associated with free trade.

**KEYWORDS:** free trade, external intervention, international exchange, biblical perspectives

### INTRODUCTION

The concept of free trade is more than 200 years old. In 1776, economists Adam Smith and Abbé de Condillac recognized the merits of trade that was free from government regulation and constraints (Bhagwati, 2002). Adam Smith's work, The Wealth of Nations, and Abbé de Condillac's essay, "Commerce and Government," both argued that free trade between countries significantly improves economic welfare (Bhagwati, 2002). From that point forward, mainstream economists have maintained that economies unencumbered by government impediments, such as tariffs and quotas, function more efficiently and effectively (Irwin, 1996). Free trade in practice, however, does not always benefit every party involved, particularly in the absence of competition. This analysis: a) defines free trade; b) examines the support for and challenges to the economic strategy from both a theoretical economic, and allegedly more practical, perspective; and c) compares the global worldview on free trade to biblical

perspectives to determine whether there is biblical support for this economic policy. The paper specifically focuses on biblical directives to care for vulnerable populations, such as women in developing countries and foreign laborers, when it examines the impact of free trade.

Free trade is an approach to trade that excludes import and export regulatory restraints, such as tariffs, subsidies, quotas, price setting, and other trade restrictions (Bhagwati, 2002). Government regulation artificially sets or helps determine price, resulting in quantities that reflect trade policy additives as opposed to market forces (Irwin, 1996). The free trade approach relies solely on supply and demand to determine product pricing and allocation of resources.

## **Arguments for Free Trade**

Advocates of free trade suggest that free trade exchanges are valuable for both parties if they are the result of a comparative advantage that occurs if a party can produce a good or service at a lower opportunity cost than another

entity (Ricardo, 1821). Free trade advocates argue that trading the item with another party that can produce a different product at a lower opportunity cost makes both parties better off. Tariffs, regulatory burdens, transportation fees, and other trade costs can reduce or eliminate comparative advantage and disrupt the natural economic balance of supply and demand (Krugman, 2010). Free trade is perceived as being optimal and efficient in markets without constraints, such as regulations, tariffs, and other government interventions.

# Arguments for Trade Restrictions, Tariffs, and Protectionism

While most mainstream economists believe economies work more efficiently without trade barriers and interventions, there are arguments for restricting trade.

National Security Interests. Smith (1776) contended that one very real exception to the argument for free trade is national security. Smith argued that if a country's national security relied on certain manufactured items, that country should not rely on another country for its supply (Smith, 1776). Smith recognized that national defense requires timely access to certain items. To the extent that free trade reduces incentives for producers in that country to manufacture those goods, consumers could be in danger in the event of a national emergency. Examples could include goods or essential inputs necessary for energy, pharmaceuticals, and national defense.

The COVID-19 pandemic has strengthened the protectionist argument related to national defense. A protectionist is "an advocate of the policy of shielding a country's domestic industries from foreign competition by taxing imports" (Merriam-Webster, n.d.). During the pandemic, shortages in medical supplies, food, and other essential items called attention to supply chains vulnerable to international trade disruptions. Luckstead et al. (2021) examined the COVID-19 impact on labor in the food supply chain. They focused on labor challenges posed from COVID-19 in the food supply chain, examining segments that are both downstream (retail, distribution, and processing) and upstream (agricultural field jobs). Leibovici and Santacreu (2020) considered the medical equipment shortage resulting from COVID in countries that rely on imports of these items as they examine how international trade impacts the provision of essential goods in a pandemic. They found that trade imbalances in essential goods determined whether engaging in trade improves or worsens a pandemic's effect. The critical results in these studies warrant future research to better

assess the degree and duration of any unintended or harmful impacts of trade policies.

Protection of Smaller Producers and Entities. Trade restrictions can be instituted to protect smaller domestic producers competing with foreign producers who have a comparative advantage. These trade restrictions are intended to protect small businesses, individuals, and the underserved from exploitation at the hands of large global companies whose economies of scale may drive smaller entities out of business (Irwin, 2008).

Protecting Domestic Producers in Developing Countries. Some have argued that free trade harms domestic producers in developing countries (Palmberg, 2007). A recent (mid-1990s) removal of trade restrictions in Mexico illustrated this argument. After the North American Free Trade Agreement eliminated tariffs on large U.S. agribusinesses importing Mexican corn, one of the U.S. companies moved to Mexico to take advantage of lower wages, non-unionized labor, as well as fewer governmental restrictions on the use of pesticides, petroleum, and farmland (Palmberg, 2007). The U.S. business that expanded into Mexico also enjoyed massive U.S. farm subsidies for this type of agribusiness. The increase in this firm's corn production decreased corn prices in Mexico. While the American business was rewarded with significant profits, the burden for the small Mexican corn producer was a price reduction of 50% (Palmberg, 2007). It is also worth noting that the looser regulatory restrictions that attracted the U.S. company could have ongoing environmental impacts on Mexicans in the future (Palmberg, 2007). A second example is provided in a 2005 report by Christian Aid, a UK-based anti-poverty organization, stating that countries in sub-Saharan Africa, among the most impoverished in the world, were \$272 billion poorer as a result of "free trade" policies that they adhered to in exchange for aid and debt relief. Removal of policies previously protecting the domestic companies caused them to forego profits in an amount that could have fully paid for the debt reduction provided in this exchange (Palmberg, 2007).

While Boudreaux (2018) acknowledged that free trade eliminates jobs in industries where a country lacks comparative advantage, he maintained that the increase in imports would not reduce overall domestic employment. An increase in domestic imports requires foreign trading partners to either increase their purchases from the domestic economy (an increase in domestic exports) or increase their investments in the domestic economy. As Boudreaux (2018) pointed out, increases in either activity results in new jobs that offset jobs lost to foreign competition.

### **Arguments Against Free Trade**

To work as outlined, free trade requires that market-determined prices and resource allocations exist. Economist Jagdish Bhagwati (2002) posited that Adam Smith's "invisible hand" can be trusted only in an idealistic scenario that fails to exist in modern society, causing some economists to abandon the concept of free trade. Bhagwati noted, "[I]f markets do not work well, or are absent or incomplete, then the invisible hand may point in the wrong direction: free trade cannot then be asserted to be the best policy" (Bhagwati, 2002).

The New World Economy, the Dark Side of Competition and Protecting a Country's Interest. The challenges to free trade proposed by economist John Culbertson presented relevant considerations against the merits of free trade theory (Lutz, 2008). Culbertson suggested that free trade theory: (a) reflects a political argument and ignores the reality of true cause and explanations (Culbertson, 1984); (b) ignores the dark side of competition where dubious actions are invoked to save cost by disregarding safety standards, falsifying inspections and financial records, and bribing government officials (Culbertson, 1985); and (c) was a reasonably accurate description of the reality 200 years ago but ignores the realities and differences in modern international commerce (Culbertson, 1989).

### Non-economic Objections to Free Trade

Mainstream economists subsequent to Adam Smith have advocated for free trade, yet much of the populace has not (Bhagwati, 2002). Numerous objections have been cited to the promotion of free trade. Some are founded on practical realities, others on biblical concerns, and others on misunderstandings or misinterpretations of the impact of free trade.

One objection to free trade has developed from the perception that free trade is synonymous with capitalism or survival of the fittest, or those already endowed (Bhagwati, 2002). This thinking has been adopted by some younger Americans who do not view capitalism as unlimited opportunity for all but instead a source of social injustice. It benefits those who are financially and politically endowed and suppresses those unable to compete against those with large capital stocks who enjoy economies of scale and political influence (Bhagwati, 2002).

# Do External Interventions on Trade Have a Positive Impact?

Developing countries reform and regulate trade with expectations of improving economic conditions, capital

availability, wages, and tax revenues in the home country (Crivelli & Gupta, 2016; Wei & Zhang, 2010). The International Monetary Fund (IMF) has led other international organizations in trying to institute structural reforms in developing countries that include trade incentives and assistance programs (Crivelli & Gupta, 2016; Wei & Zhang, 2010). These departures from free trade have been widespread with 77 developing countries having had at least one program, as well as criteria outlined for trade reform over the ten-year period from 1993-2003 (Wei & Zhang, 2010). Despite the IMF's good intentions, there is a lack of research or evidence measuring the effectiveness of these programs in achieving the goals outlined in the trade reform regulation (Moschella, 2014; Wei & Zhang, 2010). A review of recent literature confirmed this skepticism, as there is no evidence or study that supports the effectiveness of these policies (Wei & Zhang, 2010). There is little evidence supporting claims that the World Trade Organization (WTO) or its predecessor, the General Agreement on Tariffs and Trade, has been successful in promoting global trade and increased trade openness overall. Most notably, this evidence is scant in developing countries, the regions most in need of economic stability and development (Rose, 2004). Instead, the IMF's strategy has been to mix "sticks," trade reforms that go beyond what the country has committed to, with "carrots," IMF financing programs for those countries that adhere to the reform policies (Wei & Zhang, 2010). While sticks and carrots initiatives have been in place for years, research and studies are required to assess whether these combined strategies have secured trade reform, increased trade openness, and improved economic conditions overall for these developing nations (Wei & Zhang, 2010). Even though these criticisms may be warranted, it is important to note that the WTO does not have legislative or regulatory authority and simply acts as a guide to foreign trade policy.

Initial studies did show that trade reform programs implemented by the IMF were successful on average in increasing trade openness in those countries agreeable to the reforms (Wei & Zhang, 2010). However, while many countries initially adopted the reforms to receive financial capital and other benefits from the IMF, these efforts were often artificial, unsuccessful, or reversed once the benefits were received (Kentikelenis et al., 2016, Wei & Zhang, 2010). In these cases, the goal of trade openness was not permanently established (Kentikelenis et al., 2016; Wei & Zhang, 2010).

Competition from less expensive Chinese imports and improvements in foreign technology have regenerated U.S. protectionist movements (Bandyopadhyay et al., 2018). Fears of rising unemployment and falling wages as jobs move overseas have fueled political pressure to develop offshore regulations. Bandyopadhyay et al. (2018) derived a model that examines the burden such regulations would impose on US firms and the impact on national welfare. They concluded that non-tariff barriers reduce welfare and that welfare reductions from offshoring taxes become more likely as additional developed countries participate in offshoring.

Boudreaux (2018) also emphasized the importance of understanding the benefits of free trade amidst the rising tide of protectionism. Boudreaux (2018) recognized that two of the most important effects of free trade were that it incentivizes production specialization and promotes mechanization and innovation, "the proximate causes of our modern prosperity" (Boudreaux, 2018, p. 23). Among those who recognize some of the unexpected ways these innovations may benefit welfare, Wang and Zhang (2021) used trade volume and trade tax in 186 countries from 1990-2015 to examine how free trade affects the development of renewable energy. They found that free trade in upper- and middle-income countries positively affected the development of renewable energy but had a negative impact in countries with lower incomes.

While Boudreaux (2018) outlined the benefits of free trade, he maintained that free trade eliminates jobs in industries where a country lacks comparative advantage and generates jobs in industries associated with a comparative advantage. This is in contrast to protectionism, which does the opposite. Auto et al. (2013) examined the impact of Chinese imports on U.S. local labor markets and documented that increased imports caused increases in unemployment and a reduction in labor force participation and wage rates in local labor markets that compete with import manufacturing activities. In addition, they documented that these impacts have forced state and federal transfer payments to increase.

Researchers have challenged free trade, arguing that it disproportionately impacts women and unskilled, lower paid workers. Havens (2013) identified the burden imposed by free trade disadvantaged: (a) women, especially heads of households, (b) relatively unskilled workers, (c) or those that work for global industries with less economic status. This occurred due to the Heckscher-Ohlin-Samuelson factor price equalization theory, which predicted an increase in wages for the abundant factor

in each country and decreases in wage rates for the less abundant factor (Daniels & VanHoose, 2018). Auto et al. (2015) also noted a harmful impact on some women as they examined trade and technology's impact on US employment from 1980 and 2007, documenting declines in employment in labor markets competing with Chinese imports. They documented particularly apparent effects when examining workers in manufacturing and those who are not college graduates and noticed that decreases in "routine-occupation employment" was particularly harmful for females. They also confirmed an increase in trade impacts after 2000 and found evidence that the effects of technology shifted from manufacturing production activities to non-manufacturing information-processing tasks.

Rodrik (2018) warned that some confused "free trade agreements" with "free trade." Free trade agreements have not only benefited protectionists but also promoted rent-seeking interests and benefited those politically connected. These agreements no longer simply imposed import tariffs and quotas but also regulated a number of other areas including health, labor, and investment. This has meant these agreements could have redistributed income to international banks, pharmaceutical companies, and other firms with strong political connections.

In economics, trade is assumed to be voluntary and mutually beneficial, making both parties better off. Likewise, individuals in different countries trade with one another for their own benefit (Holt, 2019). As Holt observed, profit maximizing producers in a free market will determine their areas of comparative advantage, produce those items, and trade them for other items. Holt (2019) identified five additional benefits of free trade: (a) free trade increases competition; (b) it increases the number of technological advances; (c) it increases market size, taking advantage of economies of scale and increasing the rate of return to developed innovation; (d) consumers enjoy a wider variety of products; and (e) free trade improves relationships among countries.

#### **BIBLICAL PERSPECTIVE ON FREE TRADE**

Assessing the biblical perspective on free trade requires considering broad biblical concepts that encompass the issues of regulation versus liberation of trade policy. When contemplating biblical perspectives on free trade, one may want to begin with what the Bible calls Christians to do and to be in their personal and professional lives. Is free trade consistent or contrary to those

precepts? While there are numerous areas in Scripture that could be examined, this paper specifically focuses on biblical mandates for protecting women and poor laborers as research has shown that these two groups are most often disproportionately harmed by free trade (Autor et al., 2015; Daniels & VanHoose, 2018; Havens, 2013). After considering these topics in relationship to free trade some predominant conclusions are presented.

# First Calling and Priority – Love God, Love Your Neighbor

Scripture states that the greatest commandment is to love God, with the second being to love our neighbor as ourselves (Mark 12:27-31). Deuteronomy makes twelve references to the importance of loving God with all one's heart, soul, mind, and strength as well as loving others. (See, for instance, Deuteronomy 6:5, 10:12, 11:1.) These words are repeated often in other books of the Bible. In Luke 10:26-28, Jesus is asked what one must do to inherit eternal life. Jesus states that one should "[l]ove the Lord your God with all your heart and with all your soul and with all your strength, and with all your mind; and love your neighbor as yourself." With regard to free trade, loving your neighbor extends to treating others fairly, especially women and poor laborers who have been historically, disproportionately disadvantaged by the absence of trade regulations and protections. Loving your neighbor may mean businessmen and women need to be self-regulating to ensure that vulnerable populations are not disadvantaged. An example of a business who is selfregulating is a supplement manufacturer, Nutramedix. With founders who are Christians, the company purchases raw materials from developing countries where there is an absence of trade restrictions. Instead of benefiting from the free trade policy, the company donates back the majority of its profits to the companies and countries that supply its raw materials.

#### Greed and Prosperity and Following God's Law

Scripture emphasizes the importance of caring for the poor and those less fortunate. It warns us of the sinfulness of greed that occurs when we choose personal gain over the needs of others and failing to put God ahead of wealth and prosperity. Numerous authors have argued that free trade facilitates big business getting bigger and more prosperous at the expense of those without comparable economic resources (Bureau et al., 2006; Morris, 2008; Tucker, 2006). Scripture states, "One who oppresses the poor taunts his Maker, but one who is gracious to

the needy honors Him" (NASB, Proverbs 14:31). This Scripture contends that how one treats others, especially those in need, is an indicator of one's level of respect for and willingness to follow the Creator (Brown et al., 1990). So while free trade may facilitate economic advantage to those that can gain economies of scale and an economic advantage, it is not a biblical directive and more likely a policy that one should evaluate cautiously as it potentially harms vulnerable groups.

There are many biblical references that help the reader understand God's commands when it comes to our attitudes and actions toward the poor, the hungry, the oppressed, widows, and others that are marginalized. In an essay titled, "Christian Service: Serving Others and Seeking Social Justice," Howard Culbertson (n.d.) identifies more than 100 Scripture references where God directs his people to care for the poor, the poverty stricken, widows and orphans. A selection of these verses is provided below and supports the argument that while free trade may result in the best economic gain for large businesses and those with economic advantage, the fact that it can be detrimental to women and poor laborers should be considered. Select Old Testament verses include:

- "Do not take advantage of a widow or an orphan" (Exodus 22:22).
- "During the seventh year, let the land lie unplowed and unused. Then the poor among your people may get food from it, and the wild animals may eat what they leave. Do the same with your vineyard and your olive grove" (Exodus 23:11).
- "If one of your countrymen becomes poor and sells some of his property, his nearest relative is to come and redeem what his countryman has sold. . . . If one of your countrymen becomes poor and is unable to support himself among you, help him as you would an alien or a temporary resident, so he can continue to live among you. . . . If one of your countrymen becomes poor among you and sells himself to you, do not make him work as a slave" (Leviticus 25:25, 35, 39).
- "At the end of every three years, bring all the tithes of that year's produce and store it in your towns, so that the Levites (who have no allotment or inheritance of their own) and the aliens, the fatherless and the widows who live in your towns may come and eat and be satisfied" (Deuteronomy 14:28-29).
- "If there is a poor man among your brothers in any of the towns of the land that the Lord your God is giving you, do not be hardhearted or tightfisted toward your poor brother" (Deuteronomy 15:7).

- "Be careful not to harbor this wicked thought: The seventh year, the year for canceling debts, is near, so that you do not show ill will toward your needy brother and give him nothing. He may then appeal to the Lord against you, and you will be found guilty of sin" (Deuteronomy 15:9).
- "There will always be poor people in the land. Therefore I command you to be openhanded toward your brothers and toward the poor and needy in your land" (Deuteronomy 15:11).
- "He who oppresses the poor shows contempt for their Maker, but whoever is kind to the needy honors God" (Proverbs 14:31).
- "The Lord tears down the proud man's house but he keeps the widow's boundaries intact" (Proverbs 15:25).
- "A generous man will himself be blessed, for he shares his food with the poor" (Proverbs 22:9).
- "The people of the land practice extortion and commit robbery; they oppress the poor and needy and mistreat the alien, denying them justice" (Ezekiel 22:29).
- "So I will come near to you for judgment. I will be quick to testify against sorcerers, adulterers and perjurers, against those who defraud laborers of their wages, who oppress the widows and the fatherless, and deprive aliens of justice, but do not fear me,' says the Lord Almighty" (Malachi 3:5).

#### Select New Testament passages:

- "Jesus answered, 'If you want to be perfect, go, sell your possessions and give to the poor, and you will have treasure in heaven. Then come, follow me'" (Matthew 19:21).
- "For I was hungry and you gave me something to eat, I was thirsty and you gave me something to drink, I was a stranger and you invited me in" (Matthew 25:35).
- "They devour widows' houses and for a show make lengthy prayers. Such men will be punished most severely" (Mark 12:40).
- "Sell your possessions and give to the poor. Provide purses for yourselves that will not wear out, a treasure in heaven that will not be exhausted, where no thief comes near and no moth destroys" (Luke 12:33).
- "Beware of the teachers of the law . . . They devour your widows' houses . . . Such men will be punished severely" (Luke 20:46-47).

- "Our desire is . . . that there might be equality. . . . The goal is equality, as it is written: 'The one who gathered much did not have too much, and the one who gathered little did not have too little'" (2 Corinthians 8:12-15).
- "All they asked was that we should continue to remember the poor, the very thing I was eager to do" (Galatians 2:10).
- "If anyone has material possessions and sees his brother in need but has no pity on him, how can the love of God be in him? Dear children, let us not love with words or tongue but with actions and in truth" (1 John 3:17-18).

Many biblical passages reflect God's disdain of greed, wickedness, and self-absorbed businesspeople. Matthew 19:16-22, which describes a rich young ruler, outlines God's expectation that one does not place his wealth above God. While not every individual is called to sell all he has, all are called to put God first and foremost. Proverbs 10:20-26 compares the righteous and the wicked and outlines God's perspective toward those who chose their ways over His ways. Christian businesses should consider God's moral principles for humankind at an institutional level as well.

It is not business, commerce, free trade, or regulation that Scripture necessarily condemns but unfair trade practices, injustice, fraud, and seeking an unfair advantage through deception, manipulation, or greed. Two critical considerations for Christian business professionals is avoiding becoming absorbed in pride, worldly wealth, success, or status (Psalm 14) and ensuring that they do not take advantage of opportunities because of the trade advantage that comes from size and momentum at the expense of poor and marginalized populations in the countries where free trade is allowed.

Free Trade relies on the principle that those who are efficient and astute will be the most successful and that these businesses should not be encumbered by regulation that restricts their expansion, market share, or profits. From a biblical perspective, for free trade to ensure Christ-centered outcomes, believers need to be self-regulating when it comes to fair wages and not seeking more than one needs, not becoming trapped or overcome by pride and worldly ways, and seeking Christ-centered business practices.

#### Commerce

When assessing trade that is equitable, biblical perspectives on commerce and trade are an important con-

cept to evaluate. Is it acceptable for Christians to partake in business and trade for a profit? Is trade with other nations for a profit consistent with God's law? Not only does God allow business and profit seeking activities, He encourages it, provided one's behavior is consistent with other biblical decrees. Later exceptions and qualifiers to this will be examined, but Scripture evidences a positive attitude toward commerce.

In Matthew 25:14-30, Jesus relays the parable of the man who takes what he is given and uses it to produce more and reap a profit or gain being in God's will while the man who fails to use what God has given him to produce more will be rebuked and punished. While this Scripture is often interpreted to refer to spiritual gifts, an additional meaning in this Scripture may be applied to free trade. Jesus is encouraging a productive lifestyle in the interim before his return (Brown et al., 1990). Christians are encouraged to fully invest their financial and personal resources in activities that will support the Kingdom of God. The parable also commands fervency and obedience when working with finances, demonstrating one's work ethic, and embracing and sharing with those who have not heard or been open to the Good News (Brown et al., 1990).

#### **International Commerce and Trade**

Scripture indicates that commerce and trade in themselves are not sinful if biblical principles are not compromised. Scripture does, however, provide some guidelines for trading with those in other nations.

There are instances where God appears to condone international trade. In 2 Chronicles 2, God instructs Solomon, when building his temple, to go to Lebanon to acquire the best materials (the cedars of Lebanon). Solomon was also known for trading internationally by both land and sea (1 Kings 1–11; 2 Chronicles 1-9). In Genesis 42, Joseph's brothers are sent to Egypt to buy grain when there was a famine in Canaan. At the same time, God explicitly warns about engaging in commerce as a substitute for reliance on Him. Ezekiel 17:15 relays how God condemned a King of Israel for purchasing horses and mercenaries from Egypt.

Scripture provides mixed messages on trade, suggesting exercising caution and avoiding engagement for economic gain with ungodly nations. For example, while Babylon was considered an advantageous trade partner from an economic standpoint, its ungodly nature caused God to warn against engaging (Revelation 17:1-18). An exception may be when God specifically clarifies his

guidance and missional intent for the businessperson in these countries.

### Laws and Regulation

Scripture provides some guidance on laws and regulation, primarily in the areas of agriculture, credit, and equity. When considering how these apply to free trade, one should specifically consider fairness and regulation that supports those traditionally disadvantaged by free trade, women, and low-earning laborers.

These laws are in place to ensure that God's laws are carried out as opposed to legislating for an individual's or nation's economic control, governance, or gain. Scriptural laws concerning agriculture include the mandates that (a) farmers should labor six days and rest on the seventh (Exodus 20:9), and (b) in the seventh year, a farmer should not harvest his field, but instead let the needy people and animals consume the produce (Exodus 23:10-12).

Scripture provides guidelines that (a) business people should lend and/or provide credit to others (Exodus 22:25; Leviticus 25:35), (b) one should not charge interest to the poor (Exodus 22:25-27), (c) one should not wrong others (Proverbs 10:9; Proverbs 28:6), (d) one should honor the year of jubilee (Leviticus 25:14-17), and (e) if a countryman becomes poor, one should sustain him (Leviticus 25:35-37).

In summary, Scripture does not condemn or discourage business efforts or commerce, even when the company or individual is seeking a profit. What is clear is that God wants his followers to love Him with all their heart, soul, mind, and strength and to love others as themselves. Doing this upholds biblical principles and subsumes business into kingdom business, which ultimately serves and honors God through carrying out His work on earth. God's word does not condemn wealth but does condemn injustice, theft, and fraud or gaining an unfair advantage through deception.

## Rulers: Righteousness is More Important than Specific Rules

Examination of Scripture reveals a number of rulers or nations that instituted regulations, including Nimrod (Genesis 10:8-10), Abraham (Genesis 14:13-24; 17:6; 21:21-32), Melchizedek (Genesis 14:18), Isaac (Genesis 26:26-31), Judah (Genesis 38:24), Ishmael (Genesis 17:20), and Esau (Genesis 36) (Brown et al., 1990; Wenham et al., 2005). These verses provide some support for regulation when it helps monitor and promote the principles outlined in Scripture.

There are more than twenty scriptural references to righteous leaders who are recognized and admonished by God, including:

- Pharaoh for his treatment of Abraham (Genesis 12:15-20);
- Jehoshaphat for walking in the ways of the Lord (1 Kings 22:41-46; 2 Chronicles 17:3-10; 20:3-30); and
- The King of Nineveh because of his repentance for his sinfulness (Jonah 3:6-9).

What is clear from the many examples is that Scripture is less directive of the specific rules that are established than it is in requiring righteous leadership and rule, which is of utmost importance to God. It is also important to note that Christian consumers should be mindful of scripturally adherent trade practices in a free trade environment, even when laws and regulations do not require these practices. 1st Corinthians 10:23 reminds the reader, "All things are lawful,' but not all things are beneficial. 'All things are lawful,' but not all things build up." It may be fair to question the imposition of such self-regulation upon low-income consumers who are trying desperately to keep their children clothed (Proverbs 6:30).

# Nations and Government: Godliness is More Important than Specific Guidelines

Scripture has normative guidance for nations based largely on the example of ancient Israel and its neighbors. Discussion includes how nations were:

- tarnished with the sins of their rulers (Genesis 20:4, 9; 2 Samuel 24:10-17; 1 Chronicles 21:7-17) and sins of their people (Isaiah 30:1, 2);
- chastised by God (Isaiah 14:26, 27; Jeremiah 5:29; 18:6-10; 25:12-33; Ezekiel 2:);
- prayed for to receive peace (Jeremiah 29:7; 1 Timothy 2:1, 2);
- noted for their peacefulness (Job 34:29; Psalms 33:12; 89:15-18) and periods of peace (Joshua 14:15; Judges 3:11, 30; 1 Kings 4:24, 25);
- acknowledged for the peace that was from God (Joshua 21:44; 1 Chronicles 22:18; 23:25; Psalms 147:13, 14; Ecclesiastes 3:8);
- noted for adversity and the need for prayer to overcome their national adversity (Judges 21:2-4; 2 Chronicles 7:13, 14; Psalms 74; Joel 2:12);
- promised peace (Leviticus 26:6; 1 Kings 2:33; 2 Kings 20:19; 1 Chronicles 22:9; Psalms 29:11); and
- exalted for their righteousness (Proverbs 14:34).

Scripture provides numerous examples of wicked leaders and warns against corrupt rulers. John 19:12-16 and Matthew 27:24 present governmental corruption when Pilate ordered Jesus' death. Scripture warns that God's guidance in government provides the only reliable avenue for leaders and systems to avoid corruption, as humankind without God is inherently corrupt and sinful. Scripture provides examples of God's direct involvement in government and the importance of His participation in:

- 1 Samuel 9:15-17; 10:1, where Saul is appointed as king by God and later rejected (1 Samuel 15:26-28; Acts 13:22);
- the appointment of David (1 Samuel 16:1, 7, 13;
   2 Samuel 7:13-16; Psalms 89:19-37; Acts 13:22);
- God's counseling of Solomon (1 Kings 9:2-9);
- God's denouncing of Solomon's wickedness (1 Kings 11:9-13) and the raising of adversaries against him (1 Kings 11:14, 23);
- God's dividing of the Jewish nation into two separate countries (1 Kings 11:13; 12:1-24; 2 Chronicles 10:15; 11:4; 22:7);
- God's direct appointment of Kings (1 Kings 14:14; 16:1-4; 1 Chronicles 28:4, 5; 29:25; Psalms 22:28); and
- Finally, His destruction of nations (Amos 9:8).

Scripture reinforces that one must accept the governance in place and honor rulers unless their leadership and direction is contrary to God's laws and leadership. Scripture is also clear that God must be the ultimate ruler and guide over all nations, countries, towns, families, and individuals.

#### CONCLUSION

Analysis provided here contends that Scripture does not condemn business, commerce, free trade, or regulation but does condemn unfair trade practices; injustice; fraud; corruption; and unfair advantage through deception, manipulation, or greed. An objective evaluation of biblical perspectives on law making, regulation, and the authority of nations and countries reveals that God is the ultimate ruler and authority. Scripture clearly states that the legal system and other governance structures created by humans must not conflict with God's precepts or prescriptions for humankind.

While there are no explicit challenges to free economic trade from a biblical perspective (as opposed to political relationships), believers are called to ensure that any trade is fair, just, and in service of kingdom purposes. Some argue that free trade favors the wealthy, developed countries at the expense of women and poor laborers in impoverished and undeveloped countries. Others recognize that it is those in impoverished countries who welcome the trade opportunities that arise when trade is liberated. As believers, we must ensure that trade is just and that workers are paid a fair wage, even if the result is a higher price for the product. The conundrum here is that Krugman (2010) suggests that there may not be a way for wages in low-income countries to rise unless there is an increase in demand for labor in those countries on the part of economic interests. In other words, we may not be able to wait for these workers' wages to rise; it may be necessary to cause such to happen through increased trade.

Policies enacted must also be evaluated. If they fail to accomplish the goals indicated by Scripture, they should be adjusted in a way that ensures that those parties that the regulation intends to assist are being helped and not hindered. Unfortunately, many regulations have unintended consequences so this must be an ongoing analysis and process.

In considering if free trade is consistent with scriptural guidelines, the following should be considered: (a) guidelines should apply to all people, not just the believer, (b) structures should ensure that human greed is kept in check, and (c) corruption and political and economic clout are not given an advantage (Patterson-Jackson, 2010).

This analysis concludes that free trade is not a bad policy or one that God in principle would oppose. Trade appears in a positive light in the scriptural narrative, particularly during the reign of Solomon. The issue that arises is that trade liberation does not address human greed nor that of companies and nations and may fail to uphold the scriptural principles outlined in this analysis. Free trade does not always promote scripturally adherent trade. In addition, trade liberalization sometimes fails to produce outcomes that help the poor and, in some cases, may generate a significant detrimental impact on the impoverished.

To ensure that free trade does not compromise biblical precepts, companies and countries must not always pursue the best economic deal they can at any cost. One way to pursue profit maximization that treats workers with dignity would be paying wage levels that allow workers to increase their standard of living. Christian consumers, businesspeople, and governments should be mindful of scripturally adherent trade practices in a free

trade environment, even when laws and regulations do not require these practices.

To the extent that legislation and regulation is required to ensure trade that treats participants fairly, Scripture supports including such legislation, just as Scripture legislated certain agricultural and credit laws to address injustices during the time that Scripture was written. It is worth noting there are more than 300 verses in the Bible that outline the importance of "social and economic justice for the poor, the widow, and the orphan" (Patterson-Jackson, 2010).

In a perfect world, free trade economic policy has merits. Minimal government intervention and regulation promotes healthy competition, a natural balance of supply and demand, reduced prices, and more options for consumers in developed countries. In some cases, however, free trade provides more advantages for the more powerful, developed countries at the expense of impoverished, developing countries. These cases can perpetuate the cycle of poverty for these parties as opposed to improving their economic position when policies are not carefully developed and monitored. History shows that free trade can widen the financial gap between the "have" and "have not" nations, countries, companies, and individuals. For free trade to be biblical, participants must commit to, and honor, biblical principles, including caring for those in need, paying a reasonable wage and serving God with the wealth and profits accumulated. Adhering to these principles can mitigate the negative consequences that are sometimes associated with free trade.

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