

Economic History According to Holy Scripture

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The “four-stage” theory of economic development had its origins in the Common Sense philosophy of Adam Smith and Rousseau. This paper presents a scriptural view of economic development. Economics, as a science, is about studying individuals and institutions at different levels of aggregation, and how the cycle of decision-making, implementation, and interaction is carried out. Scripture sheds light on this cycle and reveals how society has evolved.

Introduction

The four-stage theory of economic development is well known in economics and other social sciences. The theory is that social organizations developed from hunter-gatherer, to agrarian, to industrial, to commercial systems. The four-stage theory makes sense, as it should—otherwise, it would be categorically rejected. What is often not questioned, however, is the origin of this theory. Additionally, and more tragically, it is almost unquestioningly accepted as true.

The four-stage theory of economic development has its roots in the Scottish Common Sense philosophy of Adam Smith and David Hume, 18th-century philosophers, along with the French Enlightenment philosophy of Rousseau. Evidence on Paleolithic living is scarce, so Smith, et. al, filled in the gaps with what made sense to them at the time. Smith argued that to understand ancient Rome or Greece, one only needs to understand modern Scotland or England (Smith, 1776). It is usually from the quasi-history of Smith that economists today get their economic history (c.f. Waterman, 2002).

Scripture tells a different story about economic development. It is a matter of faith, of course, whether you believe the evidence that Scripture presents, but it is also a matter of faith whether you accept the conjectures of science or historical accounts, so this view cannot be dismissed on the basis of being merely “faith-based.”

Fundamentally, all that we believe is faith-based; the question is whether or not the evidence supports a particular belief. Economics as a science is about the study of individuals and institutions, at different levels of aggregation, and how the cycle of decision-making, implementation, and interaction is carried out. Scripture sheds light on this cycle and reveals how society has evolved. The picture Scripture paints is in contradistinction to the four-stage theory.

Scriptural View of Economic Development

Marc Van De Mieroop (1997), an expert on the Mesopotamian area, points out that the city of Uruk attained a size in 3200 B.C. that rivaled the size of Rome in Jesus’ time. Other writings found in Egypt suggest that hunter-gathers, herders, farmers, and cities all existed *simultaneously* throughout recorded history.

Holy Scripture offers an explanation for Van De Mieroop’s findings. While the four-stage model posits a predictable sequence that society follows, starting with hunter-gatherer societies, Holy Scripture reminds us that man’s history began in the Garden and that institutional development can be thought of as mankind’s adaptation to the surroundings, choosing from a myriad of alternative forms of organization.

Even in Eden, men and women had work, worship, and community (which have persisted to this day), but the Fall brought shame and separation from God and others. Nahum Sarna (1970) says, “The Garden of Eden incident is thus a landmark in the development of the understanding of the nature of man, his predicament and destiny....In short, we are being told by the Garden of Eden story that evil is a product of human behavior, not a principle inherent in the cosmos” (p. 27). We could extend this to say that mankind’s selfishness and egotism (a tenet behind Utilitarianism and advocated by most economists) is a consequence

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and cause of sin. Recognizing our nature as being corrupted does not endorse the corruption, but rather points to it as something to be changed through daily repentance.

Mankind was created in God's image (Genesis 1:26) and was given the task of working the ground (Genesis 2:15). The Fall, which was mankind's trespassing of the command of God, brought about scarcity (i.e., the limited ability to satisfy unlimited wants, cf. Genesis 3:17).

Men and women did not "evolve" from hunter-gatherers, for the first man was assigned the task of farming (i.e., tilling the ground). Adam—man—was appointed the task of tilling the land. Nor were the immediate children of Adam and Eve "hunters and gatherers," but they were undoubtedly more advanced than this [pastoral and agrarian]: "Abel kept flocks, and Cain worked the soil" (Genesis 4:2).

Abel was a shepherd of the flock.² Cain was a "tiller of the land," but because of Cain's sin of murdering his brother, he was made a "wanderer" (read: hunter/gatherer). Cain was made a "wandering vagrant in the earth" (Genesis 4:12). This incident shows that sinful human nature causes conflicts, as one person's needs and demands come in conflict with the need and demands of others. Cain, the wanderer, established the first city, and his descendants "evolved" into farmers, musicians, and metal workers (Genesis 4:17-22). Scripture thus demonstrates that "hunter-gatherer societies" developed simultaneously with "pastoral and agrarian societies."

In the history from Creation to the Flood, and the history from the Flood to Abraham, there are many notable institutional developments. The line of Cain produced cities, herding, the arts, and metallurgy. The line of Seth (the substitute for Abel), carried the Lord's promise and instituted public worship (Genesis 4:25-26). In the Flood, God deluged the entire earth with water, cleansing the world, yet sparing Noah and his family. Noah was a man of the soil (Genesis 9:20) and later planted a vineyard, thus maintaining the agrarian economic form. Through Noah's descendants, international trade began through the maritime people.

Paul Bairoch (1988) asks, "Why did it take millions of years after the appearance of man before cities began to appear?" (p. 1). His question, however, is flawed because it presupposes as true what is false. The scriptural evidence shows that man was created.³ The first man was a farmer. One of the sons of the first man, a murderer, established the first city. All of this occurred within the first several centuries of the world's history.

So, Bairoch (1988) is correct when he says that the city emerges as a direct result of advances in agriculture (p. 1). Plus, he is correct in asserting that agriculture originated in the Middle East (Bairoch, 1988, 1-2); the biblical text locates Eden in the Middle East, at the headwaters of the Tigris and Euphrates Rivers (Genesis 2:10-14). Where Bairoch oversteps recorded history, he oversteps the facts. No population data comparable to that which we have today is available in the European area before A.D. 1850 (Bairoch, 1988, 519; Chandler, 1974), and so any claims regarding population patterns or growth prior to that time must rely on more ancient documents or extrapolation. Stepping beyond the available documents is stepping into a fable, and to accept something without documented evidence is an act of faith greater than that of faith informed by Scripture.

Conclusion

The history of economic development is fascinating, especially since the scriptural account is affirmed by the extant data. The Bible, in Genesis, not only explains the beginning of the universe but also the beginning of civilization and the development of languages.⁴ Man began as agrarian, and the second generation of man developed the distinction between agrarian and gathering societies. It is in this second generation as well that cities developed.

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Economists often claim that long-term economic development hinges on the rule of law, efficient exploitation of resources, specialization in labor, and knowledge accumulation (Goodfriend, 1995). Scripture does not reject this assertion, but it does reject the assertion that man is the sole source of growth. Instead, we are pointed to God as the author and provider of all good things (James 1:17). Scripture is not an economics textbook, but it does contain reliable information about economies, and it helps us think critically about secular theories like the four-stage theory.

References

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¹ When using scriptural evidence, the investigator should be honest about his or her view of Holy Scripture. Using the schema of Boadt (1982), in which Scripture can be interpreted "transcendently" or "anthropologically," I approach Scripture as being transcendent. The distinction is, as Hummel (1979) explained, one in which we answer the question of whether God himself speaks to us in Scripture, and if He does, does He speak directly and perspicuously, or does He speak allegorically? I approach Scripture as it demands to be approached: It is the very Word of God and authoritative in all that it says. If it is not authoritative in all its parts, how can one believe that it is authoritative in any of its parts—especially those parts that pertain to salvation? Although I use Scripture to outline the argument for an alternative view of economic development, I also present extra-scriptural evidence that is consistent with Scripture.

² Why would he be a shepherd when human beings apparently did not eat meat before the Flood? (God told Noah after the flood that men and women could eat "everything that lives and moves," Genesis 9:3). Sheep provided clothing and milk, and they also served as sacrifices. Abel's vocation demonstrated service (sacrifice) to God.

³ The philosophical and logical evidence also support this view, as anyone can attest who has waded through Aristotle's *Metaphysics* and his principle of the *Prime Mover*.

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⁴ The Tower of Babel incident shows how multiple languages developed. What is described in that account is validated by evidence that languages have a basic color vocabulary. See Amanda Marsalis, 2004. "Draining the Language out of Color." *Scientific American*. April, 46-47.