

## Money, the market, and people in need

In a world where phrases like 'The economy', 'The financial market', and 'The banking crisis' tend to conjure images of nation states, networks of stock markets, and massive, impersonal banks, it seems vitally important that Christians - and perhaps especially Franciscans committed to The Spirit of Poverty - should be able to look beyond the impact of our Credit Culture and The Credit Crunch on the global financial machine, to its human cost, and how we can help those people whose lives are being blighted by them both.

'You cannot serve both God and money', Jesus said (Luke 16:13), which is perhaps, on reflection, quite surprising. After all, if we had been there and were trying to anticipate his last word, we might have been expecting 'power', 'self interest', or even 'The Devil', but as the target for one of the most emphatic statements of Christ's ministry, he chose money.

Money of itself is simply tokens for exchange, be it gold, a cheque, plastic, or electronic transfer, but as soon as it is employed it compels the user to make moral choices. If we buy ourselves a 'skinny cafe latte with an extra shot' then that is three pounds that we haven't given to the Big Issue seller who is trying to work his way back from a life on the streets. If we take that twenty thousand pound windfall to replace our car with a new one, given that a charity like Christian Aid can provide education for a child in Africa for about fifty pounds a year, that car represents four hundred kids who won't be going to school in 2010. We all face these choices, we all sometimes choose the cafe latte or the car - and obviously that can be the correct choice - but the point is that every time we use money we make moral choices that affect others.

Another powerful observation regarding money concerns what might be called its Universality. i.e. The world is afflicted by the effects of many sins, leading to many social ills, but while it is the lot of only some to fall deeply into violence, sexual exploitation or crippling addictions, every day, everyone - rich or poor - has to wrestle with the temptations and implications of the use of money.

If these points get us closer to a deeper understanding of why Jesus chose money as the antithesis of God, and preached over twenty parables on the subject of money and possessions, then we can still go further: Perhaps more than at any time in history, western civilization - and increasingly global civilization - is obsessed with the acquisition of wealth. The machine of society teaches us that we should be rich, successful, and find our fulfillment in worldly goods and comforts, and not least because the atheism that so often accompanies this mantra preaches, 'this is it' and by implication, 'get what you can while it lasts'. Free market capitalism works through two mechanisms: the loaning of money at interest (forbidden between Jews in Old Testament law) and the market trading of goods and PLCs, which is the province of what are now (refreshingly honestly) being called 'Casino Banks'. This latter is a form of gambling (not forbidden in the Bible but unarguably an issue as an addiction), but a very special one, as witnessed by recent world economic events: The Casino Banks trade vast sums, the traders are paid vast incomes for doing it, and if they 'lose' then because the world economy cannot afford to let the Casino Banks fail, they bail them out using public money. This is not like being addicted to a flutter at Ladbrokes. Arguably, it is much worse, and not least because it is a system that primarily protects the interests of the super-rich. It works by drawing money from the relatively poor (developing world, consumers) to the very rich (major corporations and shareholders). It creates great wealth for some at the expense of the poverty of others. This is in direct conflict with the Christian principle of Chastity, which tells us that we should not use or exploit others for our own benefit. Clearly it is

possible to live within this system in a Christian manner - loaning responsibly, investing in a worthwhile enterprise, giving generously - but it would be naive to think that this is the nature or intention of the system.

I have had the privilege of sitting in the boardrooms of one or two moderate sized PLCs, and met and worked with people whom I admire enormously; people who have achieved much for both their staff and their customers. But I have also witnessed those pressure points when the influence of the people in those rooms is ultimately overridden by the expectations of the market: when the needs of the people in the business (a job, decent pay) or the business itself (investment in infrastructure) are overborne by the market expectation of year-on-year profit growth and the increase of the PLC's market value. In short, without even being in the room, the need of the market outweighs the needs of the business itself. Why insist on year-on-year growth for every PLC? Because PLCs will then be in perpetual competition with each other, and if one company fails, the investors can switch their investments to the one that's now doing better or best. To reverse Mr Spock's well known Star Trek quote - the needs of the few outweigh the needs of the many.

Another problem with the nature of the PLC, free-market system, is that it favours organisations over individuals. I have known many people who have been made redundant 'under new management' because they were either an unwanted cost or duplicated a role. This is a necessary choice for the organisation, but that cost requirement completely overrides the needs of the individual in question, and once they are 'gone' they are no longer of any concern to that organisation. Likewise, technology replacing staff to reduce costs and increase efficiency, is a real need for the organisation in the free market system; a need that completely overrides the needs of the staff it will affect. I have been involved in that kind of management decision, and it is alarming how readily you find yourself regarding an employee not as a person but as a resource, a unit, a potential cost saving.

And it runs deeper than even this, because if you accept that the survival of the organisation appears, under this system, to be more important than the fate of the individuals that make it up, you might expect that it stops there. But it doesn't: it reaches further back, to the money market itself. I was in a fairly senior role in an PLC that was bought-out by another. I wasn't privy to the process directly, only an observer, but it was fascinating to observe: An initial bid was followed by a series of counter-bids until the market value of 'my' company had nearly doubled. This because the market was anticipating the takeover, cost-efficiencies followed by increased profits, and an enhanced return on investment. There was then a monopolies and mergers (M&M) investigation which threw an extraordinary amount of work onto both companies for many months, massively distracting 'my' business from its day to day work, and costing it a fortune. M&M decided ultimately that there was no bar to the takeover. By this time two further things had happened. The market value of the company had dropped down to below its original level (the market no longer sure of that extra return) and the bid-period pertaining to the takeover had lapsed, allowing the prospective new owner to put in a fresh bid at a much lower level than they had had to during the competitive bidding phase. It went through. The new company made their cost efficiencies in line with the expectations of the market - largely disposing of duplicate roles and applying technological developments to further reduce costs (and staffing). It was done very well, and very humanely, given the requirements of the new organisation and the system. Meanwhile the market could buy-in at a low price and look forward to growth without having had to swallow the high share price at the peak of the bidding. What I found fascinating was that the financial performance of 'my'

business, and its infrastructure and operations, had not changed one jot during this entire process, and yet its perceived value had gone up and down like a yo-yo until it settled - in this case - at the point of lowest cost and greatest advantage to investors.

Now, I think it massively important that we understand that this is not all about 'nice innocent people' being taken advantage of by 'horrid powerful people'. At both ends of the scale, there are wonderful, generous and genuine people. But none of them can escape the demands and dictates of the 'market'. You could quite reasonably say that all of them are controlled and constrained by market forces; perhaps we could call it 'The Spirit of Capital'. It is a spiritual battle, I believe.

In the early days of the credit crunch I had a fascinating conversation with a journalist who works in the Square Mile. I asked him how the 'market' perceived the days ahead. He said that with restrictions being placed on credit, savings and investments already starting to creep-up, the view was that the 'market' would stabilize within a few years. I pointed out that it was projected that millions of people in the UK were likely facing redundancy and/or deep indebtedness that could lead to the ruination of their financial circumstances, loss of homes, and so on. I asked whether he meant that the 'market' thought that it would stabilize at the expense of the ruination of all of those individuals. He replied that yes, that was it, of course.... Horrific. And I went away wondering what the 'market' was? Was the Square Mile full of monsters? No, of course not: ordinary people. It was the 'market' itself: that abstract set of rules and processes, that impersonal 'spirit', that didn't care about the individuals that would fall by the wayside in order to stabilize itself. And it is that 'market', that 'spirit', that is the ultimate arbiter of decisions in the stock market economy.

And so we come back around to the contrary perspective of Christ. He made it clear that money is a spiritual battleground, and we're caught-up in it, like it or not. He told us to be responsible, to be generous, to be good stewards of the material, whilst not loving money or the system. I have always been struck by C.S. Lewis saying that the world is heavily concerned with institutions and organisations, because they are perceived to outlive individual people. Companies, banks, museums, 'markets', they all can be seen as outliving the individuals that make them up. But he went on to say that this cannot be the Christian view. All institutions and 'markets' will pass away; it is only individuals that can live forever. So, we shouldn't be as concerned about the fortunes of entities as 'the world' is, nor the survival of institutions at the expense of individuals: instead, we should be massively concerned with loving and helping eternal beings.

I think all this leads to three areas of focus for Christians. Firstly, that those in positions of influence in the government and the economy speak up and encourage society to develop a more compassionate marketplace. Secondly, that the Church be seen to be different from the world in how it deals with money - I fear that at the moment we look almost exactly the same. Thirdly, that as individuals we should ensure that we are truly embracing The Spirit of Poverty and ask ourselves, and God within us, what we should be doing with the money and the 'stuff' we have stewardship of, day by day, transaction by transaction.

The first two areas I cannot engage with much, being neither a church leader nor a politician, but I must engage with the third. About eighteen months ago I was standing in the small hallway of my cottage in Wales. It had a bare concrete floor that in the normal course of things I would have tiled to make it look good - to 'finish it off'. I added up in my head the rough cost of materials, and it looked like it was going to be about £500 to £700 pounds. I didn't have much money spare at that time, so I thought 'I'll just have to wait'. God then stepped in and asked me whether the next time I

had £700 to spare I was really going to spend it on making my hall floor look nice.... I had to admit that I could no longer allow myself to do that. For me, that £700 was now more likely to be for a child to have fourteen years education in Ethiopia, or for whatever God told me to do with it when the time came. Strangely, a year later, we were given four hundred tiles free by a couple renovating a house. Recycled materials, no profits, local (good carbon footprint), helping out the renovators - a pretty good solution. I'm almost reluctant to lay them: I rather like my concrete floor and what it means. But I'm grateful: I do like old tiles - and when that £700 turns-up, I still won't be spending it on a piece of floor.

Over a similar period, God led me to work in the Money Advice Sector for the charity Community Money Advice, where I'm applying skills learnt in the commercial world to help our advice centres help people blighted by debt. I've encountered hundreds of people across the country - many in churches, but not all - who are giving of their time to help those afflicted by money troubles. It has been estimated by Credit Action that up to four million people in the UK are going to seek debt advice during 2009/10, and demand is outstripping supply. Money troubles often lead to loss of homes, breakdown of relationships, addictions, and even suicide. Once again, I am seeing how money is not only a spiritual battleground but, when it becomes indebtedness, the biggest ill facing UK society today. UK individuals are the most indebted in the world; our personal debts nearly twice the GDP of Australia, and the credit culture (must have more, now!) has part-imploded with the credit crunch, leaving a swathe of broken lives.

CMA centres have clients with widely varying griefs: some with over £100,000 of debt on twenty or more credit cards; executives who have lost their jobs and cannot cover their repayment schedules anymore; young mothers whose housekeeping puts a tin of beans and a packet of cornflakes in the larder, and nothing else; who dread the bailiffs coming to the door, or are awake at night wondering how they are going to feed their children tomorrow. There are so many people in these straits that by 2010/11 it is likely that every tenth home in the UK will be blighted in some way. These are the people that the 'market' is prepared to sacrifice to ensure its own stability. And these people need love, hope and support.

I have visited many towns where churches are working together to offer debt and money advice services; open food banks and clothing banks; develop poor funds, and many other initiatives. At CMA most of our clients are helped compassionately through a process of debt repayment while being taught how to manage their money well. There are so many stories of lives healed. But sometimes, that Debt Management Plan doesn't have to be managed through, because Christ just wants to help that client then and there through his people. This is a true story, in the manager's own words, from one of our centres that opened during 2009:

We had a young mother come to our centre in tears. The bailiffs were coming and they had told her on the phone that she might end up in prison unless she paid her debt. Her concern was over who would look after her children. Amazingly she did not even know who she owed the debt to. We are a centre in our first year and felt a bit overwhelmed as we had to try and react within 24 hours to help this woman. So after a few phone calls in-between the clients tears, we managed to find out that it was an unpaid TV Licence fee which had been to court in her absence and was now a larger debt with costs and fines added to it – just over £500.

It seemed as though her partner had torn up letters and warnings and details of her court appearance and had even met the bailiff on an earlier visit - but been very abusive. The young mother had no knowledge of any of this.

We hold a one hour prayer meeting every Wednesday, which is when our centre is open, and we get a few minutes to put forward any prayer requests - which we did on this occasion. I remember being upset because we really felt that we did not have enough time to help this lady postpone the inevitable – and this was after talking to the courts and the bailiff. I was almost in tears myself as this was one of our first cases and we had not anticipated that we would not be able to help. We wanted God to intervene supernaturally and perform a miracle. So that is how we prayed, and other church members stood with us and said Amen. Following the prayer meeting three people came to me separately to offer to pay this lady's debt – which was a miracle in itself. Now I know that this is not the way it normally happens, but it was fantastic to phone the bailiff - who was astonished to get the cash and had a lot of questions about who we were and what we were doing in the community. Moreover, it was so wonderful to phone the young mum herself and tell her that her debt had been paid in full. We have since heard that she cannot stop telling people on her estate how good and kind the Christians have been, and how it was a miracle to have her debt paid for her.

And this is where I end: God first, money last; people first, markets last; Christians helping people whose lives have been blighted by debt. There are many responses to this need, many callings. The one I know is money advice. If you believe this is how you should be helping, then get more information through the contacts below.

John Franks.  
Operations Manager of Community Money Advice.

People in money trouble can be sign-posted to their local CAB, and to Consumer Credit Counseling Services (CCCS) - a free, phone and online debt advice service:

<http://www.cccs.co.uk/>

Information on the debt sector and a range of resources (including UK Debt Statistics) are available through Credit Action:

<http://www.creditaction.org.uk/>

If a church is looking to teach people about budgeting and managing money well, there are a range of free resources (from self-help resources to sermons) available from Stewardship's red2black website:

<http://www.red2black.org.uk/>

And if they want to get more actively involved in budget coaching and promoting biblical approaches to money management, further information is available from Stewardship's main website:

<http://www.stewardship.org.uk/money/>

The final option is to provide local debt advice services. There are two Christian organisations that a church can work with to achieve this:

Christians Against Poverty (CAP) - The church provides local case workers and the debts themselves are managed from CAP's (award winning) Head Office in Bradford. (Currently over 90 churches in the UK have a CAP centre).

<http://www.capuk.org/home>

Community Money Advice (CMA) - The church sets-up and manages a debt advice service themselves, enabled by training, set-up and ongoing support services from CMA. (Currently nearly 90 churches, community groups, and organisations in the UK have a CMA centre).

<http://www.communitymoneyadvice.com>