

# LMR

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## **PULSE ON THE MARKET**

Explosion in Treasury Debt

China Calls Debt Bluff

Pork Chops vs. People?

## **OUTLOOK ON THE ECONOMY**

*by Robert P. Murphy*

## **A ROADMAP FOR REOPENING THE ECONOMY**

*by L. Carlos Lara*

## **MARKETS FROM MOSES TO MARX**

*Interview with Roger McKinney*



## ABOUT LARA & MURPHY

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In 2010 he co-authored the highly acclaimed book, *How Privatized Banking Really Works* with economist Robert P. Murphy.

He is a co-creator of the IBC Practitioner Program for financial professionals and sits on the board of the Nelson Nash Institute.

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Murphy has a Ph.D. in economics from New York University. After spending three years teaching at Hillsdale College, he went into the financial sector working for Laffer Associates. With Nelson Nash, Carlos Lara, and David Stearns, Murphy is co-developer of the IBC Practitioner Program.

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# Markets

## from Moses to Marx

Interview with  
Roger McKinney





Roger McKinney first learned economics by earning an MA degree from the University of Oklahoma in 1991. Before that, he received a BA in theology from Baptist Bible College and a BA in communications from the University of Tulsa. He lives in Broken Arrow with his wife of 39 years. They raised three children and have been blessed with five wonderful grandchildren. He is a full citizen of the Choctaw nation and works as an analyst for a health insurance company in Tulsa. He writes regularly for Townhall Finance and had one book published by Laissez-Faire Books, *Financial Bull Riding*. He self-published through Amazon *God is a Capitalist: Markets from Moses to Marx*.

**Lara-Murphy Report:** How did you discover Austrian economics?

**Roger McKinney:** I had earned an MA in economics from the University of Oklahoma in 1991 and in the next decade I read a lot of articles in *Christianity Today* that I thought promoted raw Marxism. I began to wonder if socialism really is Christian economics, but my education didn't help me find answers. So I started looking into the origins of capitalism by reading histories of economics. I ran across an article by Ayn Rand in which she asserted that capitalism is the only moral economic system. Rand led me to Rothbard and Rothbard to the Mises Institute. I read Hayek and Mises and realized that I had learned a lot of things about economics at OU but with Austrian economics I had begun to understand economics.

**LMR:** We recently came across your Townhall Finance article discussing Ludwig von Mises' views on Christianity.<sup>1</sup> Can you summarize for our readers some of the main points?

**RM:** Mises showed an anti-Christian bias in his earliest writings due largely to the fact that Christian intellectuals in Europe tended to be socialists. He immigrated to the US during World War II and for the

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first time met pro-capitalist Christians. In later works he began to admit that Christianity didn't present an obstacle to free markets. His biographer, Jörg Guido Hülsmann, wrote in *Mises: The Last Knight of Liberalism* that he read the German theologian Carl Barth. By the time he wrote *Theory and History* and *The Ultimate Foundations of Economic Science*, Mises wrote as if he might have converted.

**LMR:** While we're on this topic, it's probably a good time to ask you about your book, *God is a Capitalist: Markets from Moses to Marx*. It's obviously a huge topic, but can you summarize some of your essential arguments?

**RM:** The first is a sound definition of capitalism. I rely on Mises for the main points but add that capitalism suppressed envy for the first time in history. That comes from Helmut Schoeck's *Envy: A Theory of Social Behavior*, which I found in one of Mises' books. I don't think Christians can emphasize enough the problem of envy and its role in empowering socialism.

A second argument is that the original constitution of ancient Israel in the Torah was a libertarian society. It had no human executive or legislature; no standing army, taxes or bureaucracy. The only government consisted of courts to adjudicate the 613 laws that God provided. Most of those laws applied to religious ceremony in the Temple. Others promoted morality. The courts only adjudicated the civil laws such as “Thou shalt not steal” and “Thou shalt not murder.” It would have been a libertarian's dream. Christians dismiss that government as one designed for a primitive time and not relevant today. However, we need to consider that it was the only government God designed so while we don't have to replicate it today, the general principles prove what type of government God thought would provide the environment for people to flourish.

The final argument shows how the Godly theologians of the University of Salamanca, Spain, in the 16th century distilled the first principles of



capitalism from the Bible and natural law. Christianity gave birth to capitalism while atheists and deists in the Enlightenment fabricated socialism.

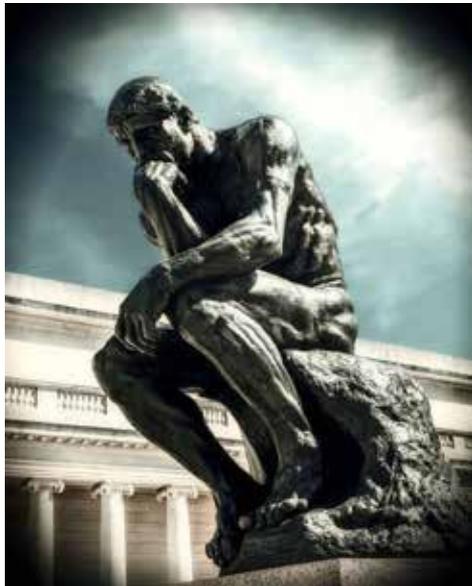
**LMR:** As you know, there is a tradition of Christian socialism, whose adherents point to the early Church as living with communal property. Doesn't the book of Acts prove that Christians should be socialists?

**RM:** A superficial reading of Acts suggests communism. There are several arguments against that. One is that the tense of the verbs in Greek show that the selling of property and giving it to the church was ongoing and not a onetime event. Also, giving of one's property was voluntary and not required for membership in the church.

For the sake of argument, let's assume that the early church did practice communism. That still doesn't support a socialist government because the church was not a state and states should not do the work of churches because they have very different roles. No one wants to see Baptist pastors trying to arrest drug dealers nor the state preaching the gospel.

Even if the early church practiced communism like the early Israeli kibbutzim, that is still not an argument for a socialist state because as Hayek pointed out, small communes don't scale. Communist principles are necessary for small groups

like families and tribes. They can work for local churches as well because everyone knows each other. But scaling those principles to the national level where few people know each other is a disaster, as history proves. Finally, if the early church at Jerusalem practiced pure communism, it didn't become a model for any other church, and it abandoned communism quickly. By the time the church chose deacons, the money given by members was distributed only to widows. Later, Paul restricted such giving to widows 60 years old and older. And he required members in his churches to work so that they could support their own families and have something left over to help the poor.




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**LMR:** Finally, we understand that in a forthcoming book you're developing a new spin on the familiar "Robinson Crusoe" approach to teaching basic economics concepts. Can you explain?

**RM:** The great French economist Frederic Bastiat wrote that the most important job for economists is to popularize the principles. I was inspired by that and his defining property as the labor we put into our goods and services and wanted to incorporate that into an intro book. Also, I have been impressed with research I have read on the importance of using stories to teach principles. The Robinson Crusoe approach is a good example of that, but I wanted to do something fresh.




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“I settled on the idea of telling the economic story of my tribe, the Choctaw, from the period before their encounter with Europeans to modern times.”

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I settled on the idea of telling the economic story of my tribe, the Choctaw, from the period before their encounter with Europeans to modern times. Before the coming of Europeans, Choctaws traded very little with other tribes and produced most of what they consumed, much as Crusoe did. Europeans introduced new technologies that the tribes couldn't produce, so they traded for them and improved their standards of living. With the industrial revolution, tribes enjoyed the benefits of steam engines and electricity even though they didn't invent them. Today, the Choctaw enjoy the same standard of living as other citizens. In other words, they're among the richest people in history.



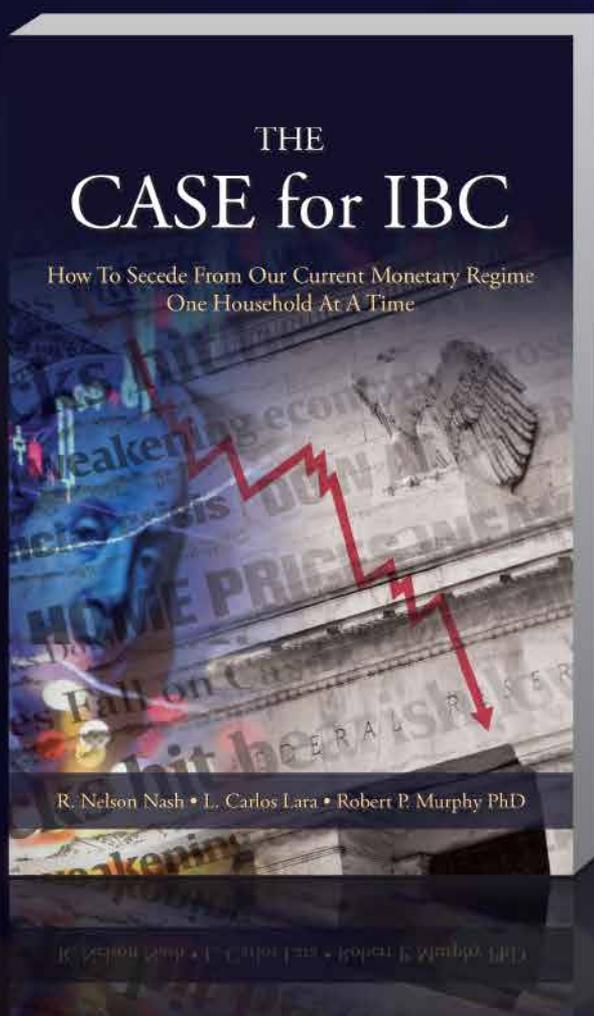
*Note: The economists and financial professionals interviewed in the LMR are given the freedom to express their views, without necessarily implying endorsement from the editors.*

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#### References

1. See: <https://finance.townhall.com/columnists/rogermckinney/2019/12/24/did-mises-become-a-christian-n2558499>.

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