

# Understanding Economic Ideologies

## Introduction

I do not claim to be an economist; neither have I been trained in this field. I have read books by some economists and have avidly watched films, videos, television shows and read blogs, articles and papers by economists.

This is necessary in order to understand what is going on today. Unfortunately, to get abreast of the times we are in one needs to understand the politics and economics of leaders. How can you vote (if you do in this broken system) if you do not understand the economics and politics of the person you vote for. So many people vote for a person, for a variety of reasons, and yet really disagree with the politics or economics of that person, of which they are ignorant.

Many people get as far as understanding right and left wing politics, but this can be meaningless today. Ed Milliband is almost as right wing as David Cameron. Tony Blair was virtually a Thatcherite. Right and left don't mean much now.

Then again, even if right and left meant something rigid, are people authoritarian or libertarian? This needs to be taken into account. The social policies of a person are just as important as the economic policies.

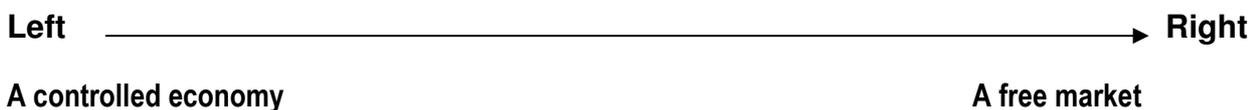
So, since this is the case and also for my own personal benefit to clarify issues, I write this paper to make some sense of modern economic / political ideologies. We need to know our Ayn Rand from our Pol Pot!

I do not claim any original thought here and I am grateful to a number of professional sources.<sup>1</sup>

## Left and right economics

The old understanding of left and right is now inadequate, as there are so many shades of grey and also other equally important features to be taken into account.

However, on the basis of economics alone we can say the following; left is state control, right is free market.



## Left wing economics

The extreme form is a totally state controlled economy ('hard left'); this is exemplified by Stalin, Mao Tse Tung and Pol Pot. Communism, or Collectivism, is hard left.

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<sup>1</sup> Notably [politicalcompass.org](http://politicalcompass.org)

Moderate left wing economics would be exemplified by Robert Mugabe and Gandhi, though they are very different.

### Right wing economics

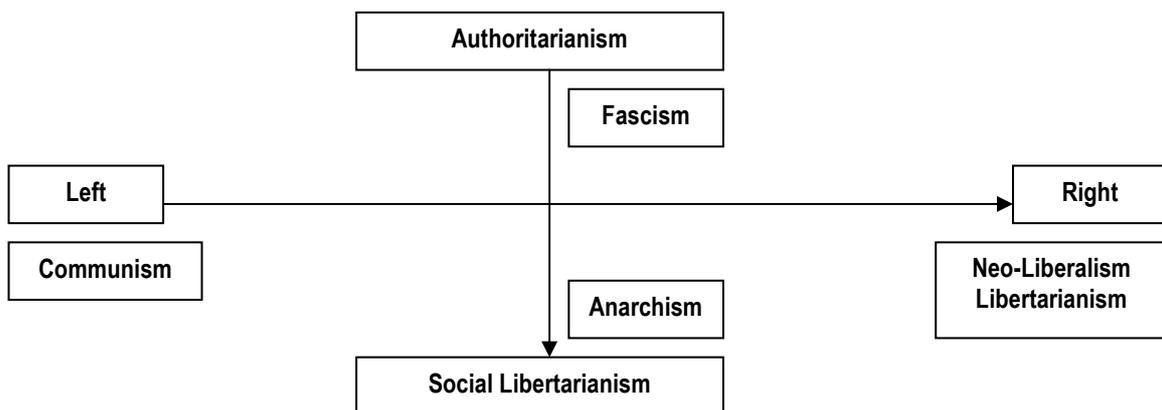
Hard right wing economics means being a free marketeer. Libertarianism (exemplified by modern Neo-Liberalism) is hard right. Extreme right = extremely liberal economics.

An extreme right winger would be General Pinochet, slightly less hard right would be Margaret Thatcher.

## Social dimensions

Politics is not just economics, there is a vital social dimension as well. People are either authoritarian or libertarian. So we can have an authoritarian left and an authoritarian right; or a libertarian left and a libertarian right.

Fascism is extreme authoritarianism; anarchism is extreme libertarianism. Fascism is not the opposite of Communism but anarchism (liberal socialism). Libertarianism, or Neo-Liberalism, is an extreme deregulated economy.



Stalin was an authoritarian left winger where the state is more important than the individual. He believed in state-imposed, arbitrary collectivism. No one owned anything but all contributed to the state, which (supposedly) then provided for the people equally. This never works in reality (and never has done in history) because it fails to pay attention to human nature. Those in power will always be corrupted and will always heap up wealth for themselves and their cronies.

Gandhi was a liberal left winger, believing in the value of each individual. He believed in voluntary, regional collectivism without state involvement.

Pinochet, who was prepared to sanction mass killing to prop up the free market, was a far right authoritarian.

Hitler was a slightly right wing authoritarian. Thatcher was more right wing economically but less authoritarian.

Milton Friedman was anti-state for fiscal reasons (not social) but not authoritarian.

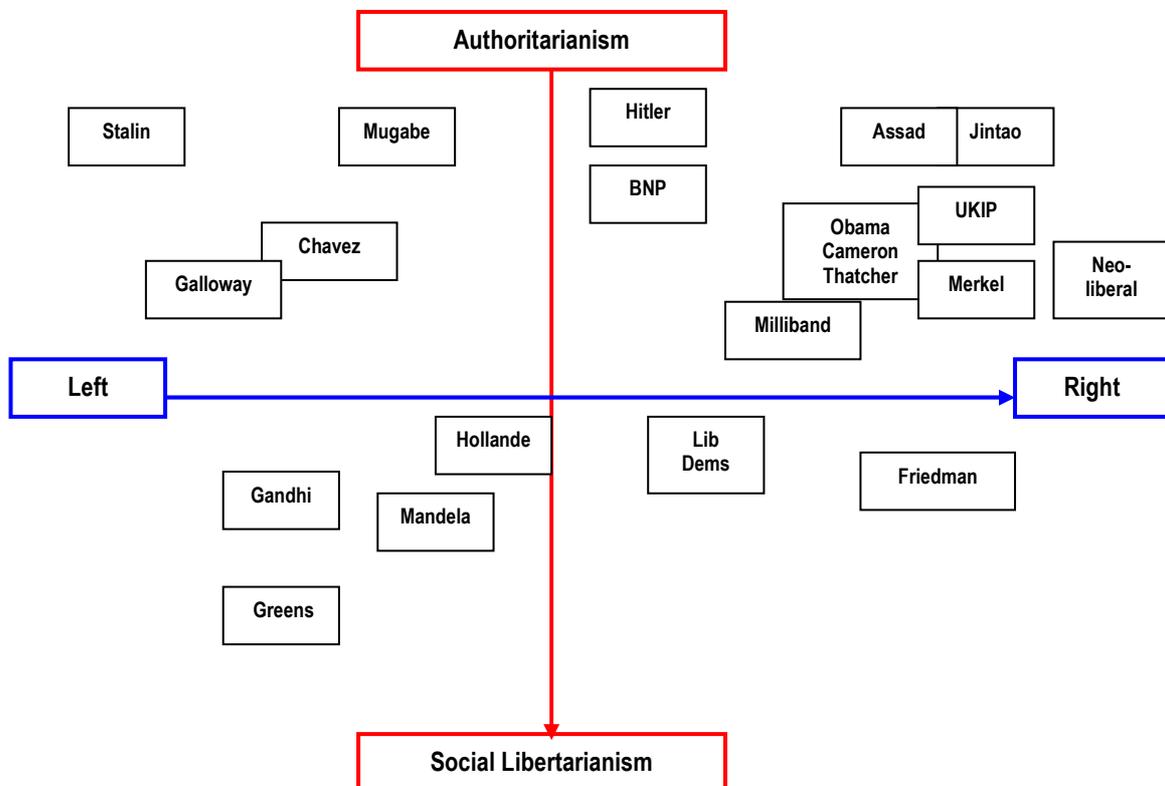
Neo-Liberal anarchism is exemplified by Ayn Rand and Milton Friedman as well as US Libertarians. This comprises right-wing economics with liberal social positions. Their libertarianism stops short of opposing law and order and are based on economic issues (like no tax). They are extremely right-wing but not extremely libertarian.

Extreme libertarians would be liberal socialists and anarchists.

Thus authoritarianism is not necessarily right-wing. Hitler was not an extreme right-winger and his party was socialist to the left of New Labour. Stalin and Pol Pot were extremely authoritarian but were left-wing.

American Neo-cons are more authoritarian than hard right. Neo-Liberals are further right but less authoritarian.

## Examples

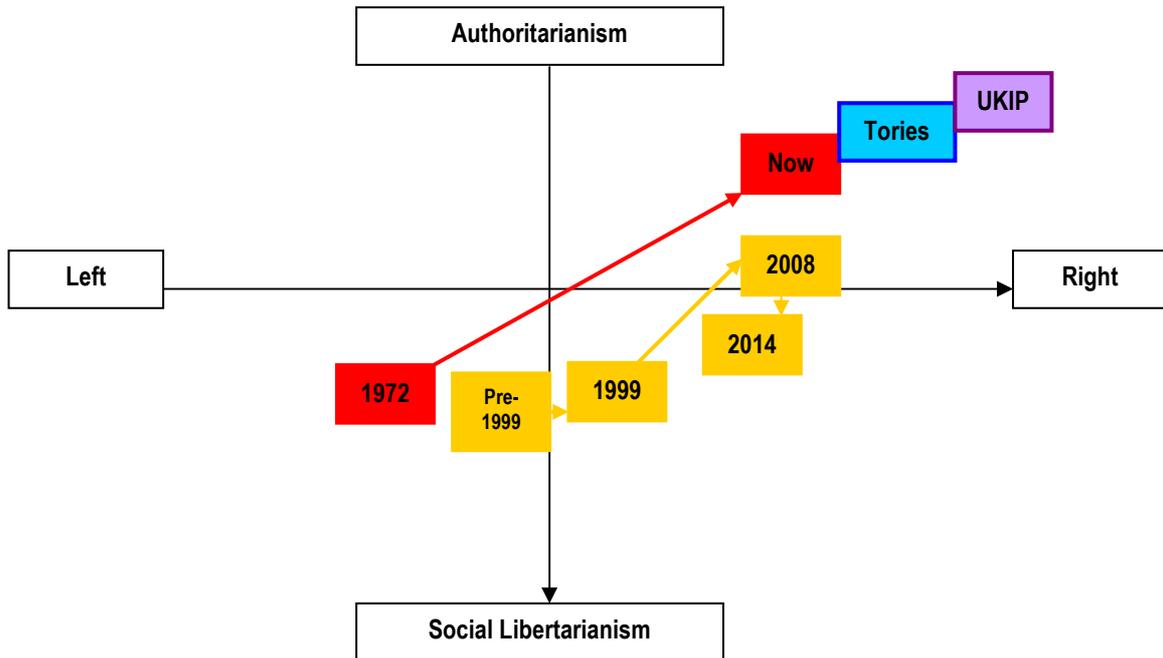


## Trends

In terms of the trend since 1999:

- The Lib Dems have moved significantly to the right and are slightly more authoritarian, however a bit less than in 2008.
- Labour has moved a very great deal to the right and is significantly more authoritarian.
- The Tories have really circled about the same position. In 2008 they were about the same as 1982.

*Labour's trend since 1972 (red) and the Lib Dems from 1999 (gold)*



This is one cause of apathy in voters; there is no real distinction between the two main political parties. It also shows a general trend towards right-wing economics and more authoritarian social policies. It also means that Christians, and slightly left of centre social libertarians, are disenfranchised [the Greens carry too much baggage that cannot be tolerated<sup>2</sup>].

## The Christian position?

Of course there is no set position on the scale for Christians because every one will have different opinions. I have met far right and far left Christians. After a test I appear somewhere near Gandhi. However, we can make certain statements regarding a Biblical position.

The Bible is not opposed to free market capitalism because that is just normal business in a trading society. Jesus supported normal trade and business (Matt 25:14ff.). It is only when the capitalist system is rigged by authoritarianism that it goes wrong. Free trade is natural.

However, the government of a nation must also protect its infrastructure; thus selling of its utilities, for example, to foreign capitalists is foolish. Thus it is my belief that a responsible government, while espousing moderate capitalism in general, should nationalise its utilities (especially water) and vital infrastructure, such as power supply, roads and rail, to safeguard the people.

<sup>2</sup> An example is their tenure leading Brighton council. They have introduced foolish ideological policies, stifled business, created massive antagonism (even to the police), created long tailbacks on the roads and wasted money.

The Bible would also support small government; that is that the government interferes as little as possible in the life of ordinary people; people should have liberty.<sup>3</sup> It would also support decentralised government under a benign ruler. However, it is not socialist.

However, having said that, the Bible definitely imposes some left-wing demands of rulers: such as that they care for the poor, look after the needy, support the infirm, provide for the elderly and help the weak. There should also be a good education system. So the Bible is not right-wing but somewhere to the left of centre. The state has obligations to assist the people and provide for those who cannot help themselves.

A fundamental godly principle is that we do good to others and love our neighbour. Thus the government, as a corporate body, must do good and love its neighbour; that is its citizens and, as far as possible, its international neighbours. Therefore, it will care for the weak. However, it would not sanction a free meal ticket for loafers; the Biblical principle is that if people will not work then they should not eat. Christians who uphold a fully libertarian position on government to the point of providing no health or elderly care for anyone (the Ayn Rand position, a rejection of altruism and support of selfishness), are not following Biblical principles.

The autocratic despotism of kings is also condemned in the Bible when it oppresses the people. So there are restrictions on government to behave righteously. Thus it is not authoritarian.

Since the Bible issues condemnation for those that do wrong, especially rulers and organisations in power, it is not libertarian; there are some regulations to obey to ensure righteousness, in social issues and economics. Rulers will be judged by God's moral law. But neither is it communistic.

So, a position slightly left of centre on the right-left axis is about correct. Although the Bible accepts authoritarianism of kings, its demands for benevolent rule mean that the point on the scale is slightly towards libertarianism than authoritarianism. So my position on the scale is about right.

## **Conclusion**

If you choose to vote for a politician, it is important that you understand both his social and economic policies. So many deluded Christians have voted for a person that God hated and that later caused oppression to God's people, or harmed the innocent. That will have to be answered for on the Day of Judgment.

## **Glossary**

Chief sources: Oxford English Dictionary; Oxford Encyclopaedia.

### *Anarchism*

Belief in the abolition of all government and the organisation of society on a voluntary, co-operative basis without recourse to force or compulsion.

### *Authoritarianism*

Despotism. Enforcing strict obedience to authority, especially that of the state, at the expense of personal freedom. Showing a lack of concern for the wishes or opinions of others; dictatorial.

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<sup>3</sup> Although the Bible recognises the then existence of slavery, it neither condones nor supports it; it just is. However, we see clear teaching that people should be free, such as the law of jubilee.

*Collectivism*

The practice or principle of giving a group priority over each individual in it. The theory and practice of the ownership of land and the means of production by the people or the state.

*Communism*

A theory or system of social organisation in which all property is vested in the community and each person contributes and receives according to their ability and needs. [Compare Marxism].

The most familiar form of communism is that established by the Bolsheviks after the Russian Revolution of 1917, and it has generally been understood in terms of the system practised by the former USSR and its allies in eastern Europe, in China since 1949, and in some developing countries such as Cuba, Vietnam, and North Korea. Communism embraced a revolutionary ideology in which the state would wither away after the overthrow of the capitalist system. In practice, however, the state grew to control all aspects of communist society. Communism in Eastern Europe collapsed in the late 1980s and early 1990s against a background of failure to meet people's economic expectations, a shift to more democracy in political life, and increasing nationalism such as that which led to the break-up of the USSR.

*Conservative Party (Tories)*

Traditionally the right-wing political party of the UK. Originally it meant being adverse to change and holding to traditional values.

*Corporatism*

A political system in which economic and social policy is made through agreements between business associations and government. One effect of this is to lessen the scope of the free market, and corporatist arrangements have therefore been criticised by the New Right for hindering economic growth (such as Ron Paul). All of the advanced capitalist societies displayed some corporatist features, but the degree of corporatism originally differed considerably with countries such as Austria and Sweden near the top of the scale, and countries such as the USA and UK near the bottom. However, recent right-wing changes and out of control banking speculation are leading the US and UK to become subservient to corporate interests on a large scale. Corporate interests are now having more global power than national governments.

*Fascism*

An authoritarian and nationalistic (usually, but not always, right-wing) system of government and social organisation.

*Fiscal*

Relating to government revenue; especially taxes.

*Labour Party*

Traditionally the left-wing political party of the UK, formed on the back of the trade union movement, representing the workers and socialist in ideology. However, with Tony Blair ('New Labour') this u-turned into a right-wing, more authoritarian, semi-despotic, capitalist party with a soviet-style bureaucratic management focused on targets.

*Laissez-faire*

The policy or attitude of leaving things to take their own course, without interfering.

In economics: abstention by governments from interfering in the workings of the free market. [Compare libertarianism.]

### *Leverage*

In finance: another term for gearing; that is the ratio of a company's loan capital (debt) to the value of its ordinary shares (equity).

Borrowed capital for (an investment), expecting the profits made to be greater than the interest payable.

### *Liberal Democrat Party*

Originally formed as a slightly left of centre, moderate, liberal political party in the UK. It was formed from the mixture of old Liberal MPs with the modern Social Democrat MPs (that were mostly sectarians from Old Labour). Under the New Labour government it was more left of centre than the Labour Party. However, over time it veered to the right of centre and became more authoritarian. Its sharing of power with the Tories in a coalition government after 2010 has virtually destroyed it; especially after multiple reneged promises (most notably student tuition fees).

### *Liberalism*

Willing to respect or accept behaviour or opinions different from one's own; open to new ideas. Favourable to individual rights, liberty and freedoms.

Favouring free trade, and moderate political and social reform.

### *Marxism*

The theories of Karl Marx and Friedrich Engels, later developed by their followers to form the basis for the theory and practice of communism.

Central to Marxist theory is an explanation of social change in terms of economic factors, according to which the means of production provide the economic base which influences or determines the political and ideological superstructure. Marx and Engels predicted the revolutionary overthrow of capitalism by the proletariat and the eventual attainment of a classless communist society.

### *Neo-cons*

Neo-conservatives in the US government. A coterie of right-wing, hard-line advisors and politicians, favouring hawkish foreign policies and despotic domestic policies. They were particularly powerful in the GW Bush administration and favoured Israeli interests. For example: Dick Cheney, Donald Rumsfeld, Paul Wolfowitz, Richard Perle, Philip Zelikow etc.

### *Neo-liberal*

Relating to or denoting a modified form of liberalism tending to favour free-market capitalism.

### *Libertarianism*

An extreme laissez-faire political philosophy advocating only minimal state intervention in the lives of citizens. Associated with the political right in the USA.

Social libertarianism (the state does not get involved with social moral decisions) is not the same as economic libertarianism (deregulation).

*Socialism*

A political and economic theory of social organisation which advocates that the means of production, distribution, and exchange should be owned or regulated by the community as a whole.

Scripture quotations are from The New King James Version  
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