

# Statement

## of Principles

poverty cure



*From aid to enterprise*

### I. The Challenge of Global Poverty

We are called to a loving and generous concern for the poor. Yet for many of us with a heart for the poor, the statistics are almost overwhelming. More than a billion people live on less than \$1.25 a day. Every year, millions of men, women and children die from AIDS, malaria and other preventable diseases. Tens of millions lack clean water and go to bed hungry.

There is, however, reason for hope. Although we cannot create heaven on earth, we know what it takes for the poor to be able to create new wealth for themselves and rise out of poverty. Indeed, there exist powerful tools that could allow us to make enormous strides in creating prosperous societies. It is time to rethink poverty. It is time to put the person, made in the image of God, at the center of the economy. It is time to help unleash the entrepreneurial spirit of the developing world.

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### II. The PovertyCure Vision

When we put the person at the center of our economic thinking, we transform the way we look at wealth and poverty. Instead of asking what causes poverty, we begin to ask, what causes wealth? What are the conditions for human flourishing from which prosperity can grow? And how can we create and protect the space for people to live out their freedom and responsibilities?

It is time to move:

- From aid to enterprise
- From poverty alleviation to wealth creation
- From paternalism to partnerships
- From handouts to investments
- From seeing the poor as consumers or burdens to seeing them as creators
- From viewing people and economies as experiments to pursuing solidarity with the poor
- From viewing the poor as recipients of charity to acknowledging them as agents of change with dignity, capacity, and creativity.
- From encouraging dependency to integrating the poor into networks of productivity and exchange
- From subsidies and protectionism to open trade and competition
- From seeing the global economy as a fixed pie to understanding that human enterprise can grow economies

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### III. Charity, Global Poverty, and Christian Tradition

The Judeo-Christian tradition has always emphasized solidarity with the poor. But solidarity means more than simply providing relief. It means viewing the poor as partners and joining together with them in networks of productivity and exchange. Charity and almsgiving play an indispensable role in our efforts to help the poor, and yet the goal for charitable organizations should be to help the poor move

beyond dependency. No country ever became wealthy and self-sufficient through foreign assistance—public or private. In the long run, sustainable supplies of food, clean water, health, and education are created by local wealth-creating economies integrated into interdependent networks.

Christians have always been involved in helping the poor through charity, almsgiving, and service. In recent decades, Christians have sometimes looked to large, secular political entities and international organizations as the key for helping the poor. This is an understandable but inadequate response. First, many of these groups begin with a mistaken vision of the human person. If we are going to help the poor, we must first understand the nature, calling, and destiny of human beings. Second, despite many good intentions, large-scale foreign aid plans have been largely ineffective. Trillions of dollars in aid over the last sixty years have been unable to lift the poorest countries out of extreme poverty. It is time to change.

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#### **IV. A Cultural Treasury**

There is no single Christian way of fighting poverty. Christians are called to serve in numerous ways, and good people will disagree about a host of prudential questions when addressing poverty. But if we are to do more good than harm, we must begin with a biblical vision of the human person. This is the challenge for all of us, wherever we fall on the political and economic spectrum.

This is not a call to embrace a spirituality detached from physical reality. Just the opposite; the God of the universe is concerned about culture, is concerned about history, is concerned about physicality because He is concerned about the humanity that He made. Good intentions are not enough. In the words of philosopher Etienne Gilson, “Piety is never a substitute for technique.”

To be clear, Christianity is principally concerned with saving souls and making disciples of all nations. But this in no way negates the fact that God also calls us to help the poor escape the ravages of material poverty. Moreover, we know that our earthly vocations have a double task, to fill the earth and rule over it, and this universal calling of God urges us to create space for rich and poor alike to live out their freedom and responsibility as stewards of creation.

It is also important to emphasize that a Christian approach to development does not preclude our working with people from other faiths and traditions. Many non-believers of good will share core beliefs with us about human dignity and the root causes of poverty. We need Christians working within and beside secular organizations focused on alleviating extreme poverty. This is honorable work. But the call to approach poverty alleviation from a fully Christian perspective does place certain demands on Christians working in development. Many development organizations are shaped by mistaken visions of the person. Sadly, even some Christian groups end up advocating programs that clash with foundational aspects of the Christian theological and moral tradition, such as the call to protect human life at all stages. As followers of Christ, we must guard against unwittingly adopting the current secular framework.

Christians have been the largest and most powerful force for helping the poor the world has ever known, and many of the institutions of both charity and wealth creation sprang up from the soil of the Christian tradition. It is important to cultivate a robust appreciation of this tradition and to emphasize the effective tools in our cultural treasury for helping the poor to flourish. These include:

- **Development is about more than GDP;** it's about integral human flourishing. With its rich vision of the good life and by emphasizing the everlasting destiny of the person, Christianity steers us away from both hopelessness and arid utilitarianism.
- **Every human person possesses inherent dignity and worth.** The Judeo-Christian tradition teaches that all humans are made in the image of the Creator. We are, therefore, beings with a transcendent destiny, beings of purpose, reason and creativity, able to make free choices. Although many Christians throughout the centuries have ignored this fundamental teaching, it continues to call people to recognize the inherent dignity and worth of every human person, including those outside our own clan, tribe or nation.
- **We cannot create Heaven on Earth.** Guided by sound ideas and principles, as well as a rich moral culture, we can greatly reduce global poverty. But Scripture, the Christian tradition, and the reality of human sin warn us against any worldly plan that promises to fashion "a new man" and achieve a perfect society. Within human history the ideal situation will never exist. There will always be poverty because there will always be tragedy and sin. This does not justify complacency toward our fellow man, but it should warn us against any plan that promises to "end poverty" or any political ideology that promises perfect equality or justice. As history has shown us, every political promise of the perfect society leads not to liberation but enslavement.
- **Although made in the image of God, humanity is fallen.** Many approaches to fighting poverty take too little account of human sinfulness, leading to a lack of accountability and, with it, corruption, waste and more poverty. We must avoid a utopianism that ignores the reality of sin.
- **Honest labor, including the work of business, is a dignified and moral activity.** As creatures made in the image of God, creative labor helps us develop our full humanity. This extends to enterprise and business. While the Bible warns of the dangers, the parable of the talents and other biblical passages have encouraged the Church since ancient times to view honest business, including making a profit, as an opportunity for human flourishing.
- **We should practice effective compassion.** Business enterprise is the normal way that poor communities move from poverty to prosperity. Yet the need for almsgiving to assist the poor will always be a component of development, even essential in certain circumstances. Here effective compassion is vital. We must avoid being satisfied with making visible, feel-good charitable gestures, not least because the Christian tradition insists this is not enough. Christianity calls us not only to give to those in need, but to do so in an intelligent way, so that our giving does not do unintended harm. A heart for the poor is important, but one also needs a mind for the poor.
- **No human ruler is above the law.** Christianity teaches that the ruler is subject to the divine moral order; neither power nor consensus equals truth. This is crucial for political and economic freedom and human flourishing.
- **Government has an important, limited role.** Christianity emphasizes the core competency of government—securing justice for rich and poor alike, which creates space for human flourishing. This translates into upholding rule of law and private property rights, and allowing for free association, and free and honest exchange. While government is important, Christianity emphasizes that it is not the only entity that gives society its identity. Individuals, families, churches, private organizations, businesses, charities, and government all play essential roles in building a healthy society and must act according to the principle of subsidiarity.
- **We are stewards of creation with freedom and responsibility.** The earth is a gift to be developed responsibly. The stewardship approach to creation encourages holistic and sustainable development. On the one hand it cautions us against crass and hedonistic exploitation of the natural realm. On the other hand, it warns us away from viewing nature as divine, or the earth as a sanctuary to be left undeveloped.
- **The family is a core building block of society.** Empirical data from numerous sources show that strong families are crucial to sustainable economic development. We must be careful not to promote approaches to development that lead to family breakdown. Christians, along with people

from other religious traditions that emphasize strong families, should counter the excessive individualism of Western secular culture, an individualism that sees the family as inessential or marginal to integral human development. Christianity helps to steer us away from this costly error by showing that the family is a pre-political institution, ordained by God from the beginning.

- **Vibrant communities and private associations are essential to liberty and the common good.** The Christian tradition emphasizes the principle of subsidiarity. This is the idea that social and economic problems should be solved by those closest to them whenever possible (i.e., the family, the church and neighborhood, the community), making temporary recourse to more distant levels of assistance only when necessary and with deep awareness of the dangers of institutionalizing detached and distant forms of bureaucratic assistance. Strong communities and voluntary associations—not linked to the state—play a key role in making economic development humane and sustainable.
- **The rights and responsibilities of private property must be supported.** One of the crucial lessons of development economics is that the poor cannot create wealth for themselves and their families without secure property rights. The Judeo-Christian tradition provides powerful resources for encouraging the property rights of rich and poor alike. It shows that private property is not an artifact of greed and possessiveness, as many believe, but rather a legitimate institution rooted in our role as stewards of what God has entrusted to each of us.
- **Culture matters.** Christianity reminds us that poverty alleviation is not primarily a resource problem. Wealth creation requires a cultural context. Corrupt regimes in developing countries stifle initiative while developed countries all too often manipulate and cripple poor countries, sometimes by means of the very aid programs we had hoped would break the cycle of poverty. Societies that enable human flourishing require cultures that promote trust, honesty, reasoned discourse, and respect for the dignity of the person.

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## V. PovertyCure Goals

- Promote the dignity of the person and the family.
- Shift the locus of responsibility from international organizations to the poor themselves.
- Encourage vibrant communities and voluntary civil associations—distinct from the state—since they are crucial for authentic human flourishing and help build solidarity.
- Build and encourage institutions of private property, rule of law, free association, free exchange and a culture of trust, which serve to 1) free the poor to connect to networks of productivity and exchange, 2) create a positive climate for business and entrepreneurship, 3) promote the freedom to pursue productive work free of oppression and theft, and 4) promote a culture of enterprise that unleashes human potential.
- Promote authentic respect for the health and dignity of women and children from conception to natural death.
- Promote free, honest and competitive market economies—not oligarchic or crony capitalism.
- Create conditions and institutions that allow people in regions of extreme poverty to develop ready access to clean water, and sustain it.
- End the subsidies, cartels and protectionist policies of the developed world. They hurt the poor, protect the wealthy from competition, give unfair advantage to big business and facilitate corruption.
- Shift the focus in the development community away from government-to-government transfers and toward face-to-face partnerships informed by local knowledge and marked by mutual respect and understanding.

- Free up developing countries to combat malaria and other diseases using the same effective tools the developed world has used to eradicate diseases.
- Reject neo-colonial presumptions that the poor are helpless, and cultivate respectful, mutually beneficial working relationships between Christians from the developed and developing worlds.

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## VI. PovertyCure Insights

- There is no magic bullet for the poverty that plagues many nations, but history teaches us some of the important factors necessary to create wealth.
- The economy is not a fixed pie or zero-sum game where people can only get richer if they take from someone else. History and economics teaches that economies can grow and one person's wealth does not mean another's impoverishment.
- Malthusian predictions of overpopulation have proven false again and again. Population does not cause poverty. "Besides the earth, man's principal resource is man himself." (*Centesimus Annus*)
- Poor countries grow economically when they are allowed to compete in the global economy and are linked to networks of productivity and circles of exchange.
- Honest competition within a moral framework creates opportunity for the poor.
- Business and entrepreneurship are keys to prosperity and economic growth.
- Transparent and competitive markets, within a moral framework are beneficial to the poor. A market economy requires, among other things, certain formal and informal institutions in order to be just and sustainable. These include private property rights and the rule of law for rich and poor alike, the consistent enforcement of contracts, free association and free exchange for everyone and not just for the privileged few, a culture of trust, vibrant community life and a rich vision of man that goes beyond homo-economicus or man as rational maximizer. We recognize that no market economy will ever be perfectly just, but where these institutions are weak or missing, the poor are especially harmed. Hence, in order to effectively encourage human flourishing, efforts must be made to foster these institutions.
- Good economic development is sustainable and should be environmentally sensitive.
- Economic progress is the fastest path to an economically and environmentally sustainable future.
- People have a right to migrate in search of new opportunities. This dovetails into the Christian provision to love the immigrants among us.
- Liberty is more than the right to exercise one's will. True liberty is achieved by acting in accordance with truth and reason. Freedom for excellence is achieved through hard work and discipline.
- People have the natural right of free association. They should be allowed to form businesses, charities, schools, unions and NGOs without facing suffocating regulation.
- The West needs to move away from a neo-colonial vision that views people in the developing world as helpless children.
- Nations and cultures have the right to resist radical secularist morality.
- The free market is not government in cahoots with big business. This is the unhealthy subversion of free markets and free competition.
- Developing countries may have sound reasons to pursue short term protection of an industry, but long-term import substitution policies are ineffective and reduce opportunity for the poor.

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## VII. The Church's Role in Combating Global Poverty

- Preach the Gospel—the most transforming force in history
- Preach a holistic vision of Christian stewardship
- Speak out against exploitation and corruption

- Provide moral guidance, encouraging the development of virtues needed to create the conditions for human flourishing and prosperity
- Help create social bonds and fight anonymity
- Build a rich moral ecology and a culture of trust
- Assist its members into economic independence by encouraging job training, financial planning and career development
- Provide a deep sense of rootedness
- Help members understand that many of the institutions essential to sustainable and equitable prosperity grew out of the Christian tradition
- Offer charity in targeted and intelligent ways that encourage human flourishing rather than dependency and cultural decay

**Christian evangelism has the power to lift up the poor.** By focusing on the priceless work of making disciples of all nations, Christian missionaries lay the groundwork for profound cultural transformation, for the ideas, attitudes, and institutions that allow for human flourishing, including wealth creation among the poor.

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## VIII. PovertyCure: Take Action

- Think before you act.
- Think biblically.
- Pray and seek wise counsel.
- Realize that good intentions alone don't solve poverty.
- Learn the fundamental truths of economics.
- Get involved: educate yourself on the principles of effective compassion and then put the principles into action, using your time, talents and resources.
- Educate others about the principles of effective compassion.
- Investigate the charitable institutions you are considering supporting and hold them accountable for practicing effective compassion.
- If you have relevant expertise, consider looking for ways to invest in business in the developing world, perhaps through organizations that specialize in identifying promising small and medium-sized enterprises or in extending microcredit – providing micro financial services. As with charitable giving, study before you invest, holding the organizations or investment recipients to high standards of moral probity and business competence.
- Join the PovertyCure Network and spread the word.