

# What the Bible Teaches About Government

By David Pyles

When the Bible claims itself to be a thorough furnisher (2Tim 3:16-17), it means with respect to the spiritual needs and obligations of man. It does not claim to address all matters of a secular nature, but wherever it does, it is of course no less inspired. Of all such subjects, none are more important than the issue of civil government. This is because good government is a blessing to all, but poor government can debilitate an entire society. The only people benefited by a poor government are typically those upon whose account it is poor. Early America quickly emerged to become the richest and most powerful nation in the history of the world because of its Bible-inspired government. This happened while many other nations remained hopelessly mired in ignorance and poverty, including even nations that were richly endowed with natural resources.

Unfortunately, America in recent decades has been trending away from its founding principles. Both liberals and conservatives acknowledge this, though they will of course argue as to whether this trend is good or bad. We can confidently say on the authority of God's word that it is mostly bad. None can depart from the wisdom of God and hope to gain by it. These departures have derived in part from the fact that most modern Americans, including even Christians, are ignorant of the extent to which traditional American principles of government were inspired by wisdom given in the word of God. My hope is that the present paper will serve toward correcting this deficiency, and impress upon the reader that nothing has had a greater or more favorable influence upon traditional American government than the Bible.

Many young people have little interest in this subject, but should in fact be more interested than any. In every war America has fought, young people were the ones called upon to bleed and die, and in nearly all of those wars, government was the primary issue. The world will always possess multitudes of people with errant ideas about government, and many of these, if put in power, will show no hesitation toward demanding that young people die to defend their perverse ideas. Anyone denying this divulges a dangerous ignorance of history. History also shows that people can be easily duped into forfeiting their freedoms and accepting forms of government that are very unsound and potentially oppressive. This almost invariably happens in times of crisis when people in a panicked state errantly conclude that desperate times call for desperate measures. Many tyrants have seized control either by exploiting an existing crisis or by fabricating the illusion of one. The Bible records such an instance in 1Samuel 8 where Israel, being frustrated by corruption in its own government, foolishly abandoned a sound system and replaced it with monarchy. The new system would prove even more corrupt and add a multitude of other problems as well. God warned Israel of what the outcome would be, but ultimately gave them what they wanted. Obviously, He was content to leave them to the consequences of their own ignorance. We should not assume our case to be different. God obviously expects us to know what His word teaches about government and expects us to heed it.

## The Equality of Men

The Declaration of Independence contains the following famous but intriguing words: “We hold these truths to be self-evident, that all men are created equal ...” This statement is interesting because one must wonder why Thomas Jefferson and the Founding Fathers considered this to be a “self-evident” truth. When one examines England, Europe and the better part of the world as it then existed, nearly all of it was under some concept of royalty and nobility. Judging from this, the equality of men surely was *not* “self-evident” to most people living in those times. In ages prior to those, matters were even worse, with many kings being regarded as virtual deities. The statement is therefore grossly inaccurate unless one understands it as implicitly referring to the Bible. When this assumption is made, the statement makes complete and absolute sense.

In neither Old Testament nor New did the Bible ever endorse the concept of a nobility class. Indeed, it strongly condemned such notions, especially in the New Testament (Lk 22:25-27, James 2:1-9). While the Jews of the Old Testament had kings, this practice was contrary to the wishes of God, who conceded to them on the point, but gave strict regulations to prevent abuse. One of these regulations was: “*Thou shalt in any wise set him king over thee, whom the Lord thy God shall choose: one from among thy brethren shalt thou set king over thee: thou mayest not set a stranger over thee, which is not thy brother,*” (Dt 17:15). This commandment was a likely motivation for the provision in the American Constitution that the President be a natural-born citizen. It obviously prohibited the appointment of a foreigner as a king; however, the words “*one from among thy brethren*” also suggest the idea that the king was to be of the same class as the common people and was to be regarded as such. The Law of God everywhere treated all men as equals. Scriptures illustrating this include: “*Thou shalt not wrest (i.e. “twist”) the judgment of thy poor in his cause,*” (Ex 23:6-7), but the same chapter also commanded: “*Neither shalt thou countenance a poor man in his cause,*” (vss 3-4). That is, the poor man was to be judged the same as the rich – without prejudice, either negatively or positively.

Nebuchadnezzar’s image (Dn 2) rates as one of the most important of all prophecies because its scope embraces the entire history of the world. The image had a head of gold, arms of silver, a trunk and thighs of brass, legs of iron, and feet of iron mingled with clay. Next, a rock of ordinary appearance was seen striking the image in its feet and annihilating it, then the rock grew until it filled the earth. The Bible explains that the various layers in the image represented the sequence of kingdoms that would arise in the world. The rock represented Christ and his final, eternal kingdom. One interesting aspect of the image is that it has a consistent progression from precious to common, starting with the golden head and ending with the rock. The likely intent of this was to show that history would produce a steady transition away from government by nobility and toward government by and for the common people. This prophecy has surely come to pass, and it is one of the few favorable things one can say about the history of mankind. God and the Bible are to be thanked above all else for this positive transition.

## The Size and Form of Government

The form of government supported by the Bible is consistently small, local and republican. Accordingly, the Bible has a clear and consistent pattern of opposition to government that centralizes and concentrates power, especially in a human authority. By a “republican” government, I mean one wherein law is the highest authority as opposed to rule by a king, counsel or majority opinion. The United States is theoretically a republic. Though having a strong mixture of democracy, it is primarily a republic in that law is the supreme rule over all. This is the scriptural way. Even ancient Israel with its kings was not like true monarchies because the king himself was strictly obligated to the Law.

The scriptural pattern against big government began to unfold at the Tower of Babel (Gn 11), where the people of the early earth, for fear of becoming fragmented and scattered, sought to establish a city and tower for the purpose of centralization. The first book of the Bible presents a wicked Babylon and so does the last. The final Babylon is to be a city “*which reigneth over the kings of the earth,*” (Rev 17:18), and is therefore a place of concentrated power. The first Babylon was motivated by the same Devil and had the same intents. Both are viewed by the Bible as very evil and corrupting. God foiled the attempt at the first Babylon by confounding their languages. The effect of this was to fragment mankind and scatter it into independently governed societies. It is foolish to suppose this effect was not intended.

There were likely very negative consequences to what God did at Babylon, and the magnitude of the evil being averted may be inferred from the price that was paid to avert it. One likely consequence was a major technological setback to mankind. Historians have been baffled at the brilliance of very ancient man and also mystified as to how his knowledge became lost to subsequent generations. While the Bible does not plainly divulge this information, a good theory is that it was lost at Babylon. Specialization is a hallmark of an advanced society, but such a society would suffer a huge setback were its specialists to lose ability to communicate with each other. Another adverse consequence of the Divine act was the numerous wars between the nations that were afterwards formed. As bad as these things were, they were better than the consequences of the entire race succumbing to the iron grip of a single oppressive and corrupting power. Many wicked tyrants have arisen in world history, and have ruthlessly seized large portions of the earth, but there was always someone left to resist and limit them.

The scriptural pattern continued in the book of Exodus where Moses set up a system of government over Israel, and while his system involved a hierarchy, it was primarily a decentralized system because it had the business of government working from the bottom to the top rather than the top to the bottom (Ex 18). All matters that could be handled locally were handled in such manner. One remarkable aspect of this area of scripture was that Moses was then at the height of his glory, having been blessed to destroy Egypt and deliver Israel, yet he heeded the admonitions of his father-in-law, acknowledged the impracticality of concentrating too much control in himself, and relinquished control to the hierarchical system he then created.

Centralization was again opposed when Israel foolishly wished to imitate other countries in having a king (1Sam 8). God conceded to them on this point, but with clear warning they were taking an inadvisable course. Even in the Divine concession, strict limits were placed upon the king, which, if obediently implemented, would have maintained a primarily republican state. The wisdom of His warning has been proven over and over again by the facts of history. This is why monarchy was opposed by the American Revolution, but opposition to it did not begin with America. It began with the Bible, from which the American Revolution was largely inspired.

The strict limits imposed by God to regulate the king also make a clear statement against big government. God commanded that the king was not to multiply unto himself horses, silver, gold or wives (Dt 17:16,17). To understand this commandment, one must know the general nature of biblical law. Rather than using the encompassing, abstract language so common to law today, the Bible oftentimes conveyed a legal principle by means of a simple example, and from this the reader was expected to infer the general idea. This simple approach was used so that the common man could understand the Law without the aid of a lawyer. For example, the Bible commanded, “*Thou shalt not muzzle the ox when he treadeth out the corn,*” (Dt 25:4). It is foolish to suppose this commandment pertained only to oxen (see 1Cor 9:9). Rather, it taught a general principle of fair compensation that was to be applied in all things. The same would be true of God’s commandment concerning the treatment of birds on a nest (Dt 22:6). This applied not only to birds, but was a general commandment to be ecologically responsible. Now when God commanded that kings were not to multiply horses, gold, etc, this was in fact a commandment against big government generally.

The same principle can also be seen in God’s warnings to the people about a king. God told them to expect a king to impose a ten-percent tax (1Sam 8:15-17). This was presented to them as being a dire consequence of their imprudent decision. Most Americans today would be elated if their taxes were only ten percent! While it could be argued that people today expect far more service from government than in those times, and that higher taxes can be justified on this account, still we find that when Joseph was counseling Pharaoh about how to deal with a highly exigent circumstance in Egypt, his divinely-inspired wisdom was to impose a 20-percent tax (Gn 41:34). All this shows that the Bible simply does not envision proper governments as being the burdensome behemoths they have become in the modern world. It is interesting to note that Solomon violated God’s commandments concerning government on practically every point. The big and burdensome government he created led to revolt after his death, and the nation became divided, never to unite again. Expanding government is almost surely destined to a tragic end.

In the New Testament one will find exactly the same principles. The first of its lessons was taught by Christ Himself, who, though of Divine royalty, set Himself to serve the people rather than being served of the people. He charged His Apostles to the same effect, saying:

*The kings of the Gentiles exercise lordship over them; and they that exercise authority upon them are called benefactors. But ye shall not be so: but he that is greatest among*

*you, let him be as the younger; and he that is chief, as he that doth serve. For whether is greater, he that sitteth at meat, or he that serveth? is not he that sitteth at meat? but I am among you as he that serveth.*” – Lk 22:25-27

Though the Gentile world at that time considered monarchy a good thing, even praising their kings as virtual deities, Christ denounced totalitarianism as inferior government, and replaced it with the very principles honored by all free people today. New Testament Christianity opposed insurrection and anarchy; therefore, it did not call for revolt against kings, but Jesus Christ effectively slit the wrists of monarchy by His example and teachings, so that this inferior form of government has been bleeding to death ever since. It now exists only in backward societies.

The biblical concept of government is also illustrated by the structure of the church as formed by Christ and perpetuated by His Apostles. Churches were established as independent, self-governing bodies under the law of God. Neither Christ nor His Apostles ever made any provision for a super-church entity to govern the affairs of the churches. Anyone familiar with the biblical tendencies here described would never dismiss this fact to oversight or indifference. It was in complete consistency with a well-established scriptural pattern.

These facts are sufficient to show that the form of government supported by the Bible is consistently decentralized, unobtrusive and under the supremacy of law. It is not difficult to see why the Bible has taken such a position. History plainly shows that centralization will be followed by oppression, corruption and inefficiency, which will then be followed by failure and ruin. The European Union was recently on the brink of economic collapse on account of it. The failures of Communism and Fascism in the last century are also convincing examples. The corruption and oppression seen in modern Middle Eastern dictators serves as yet more proof. Also, any student of the Bible will know that bad monarchs vastly outnumbered good ones in that book. Centralization and concentration of power are sure recipes for corruption and ruin.

Centralization makes corruption an easy chore for the Devil. He can corrupt the whole simply by corrupting the single point of authority. This will be easier to do than corrupting the various subordinates. Experience plainly shows that those competing for power are oftentimes too willing to compromise principle to obtain it or maintain it. There is an uninspired proverb that says, “Power corrupts, and absolute power absolutely corrupts.” Though uninspired, the truth of this proverb is undeniable. Excess power is more than human pride can bear, and granting such power is a foolish bet against human depravity.

Centralization is a threat to freedom, and the facts of history give absolutely no reason to trust it. On the other hand, decentralization is one of the surest ways to preserve freedom. In the United States, if one state were to become wasteful or abusive, its citizens could then move to another, depriving the former of tax revenue and giving it a well-deserved bankruptcy. Competition between states also promotes efficiency, innovation and better service to their citizens. All this

is lost when a power monopoly is created at the federal level. The biblical plan is to leave government at a local level where feasible, and to put it at a higher level only when not.

Experience also shows that when competing parties are unable to secure power over the entire body, they will oftentimes attempt to draw away a faction, thereby creating divisions. In the realm of civil government, history plainly shows that division, war and bloodshed are the likely results of concentrated power. Major wars between democratic countries are almost unknown to history, but wars involving monarchists, fascists and communists are the major theme of history.

While people can become divided at all levels, rifts caused by power struggles are almost never mended because doing so will require much more than mere agreement among the dissenting factions. There must also be a willingness to forfeit authority and control. This is not apt to happen because power has a bad habit of becoming obsessively bent upon self-preservation. This obsession obscures judgment and renders judicious leadership all the more improbable. It also creates a tendency for government to be ratcheted upward in size and control, and simultaneously ratcheted into greater degrees of inefficiency and abuse.

## **The Necessity and Nature of Law**

As already noted, the Bible puts huge importance on law in that it favors a republican form of government wherein law is the supreme rule. It also teaches the absolute necessity of law. While this is done in multiple ways, one of its most important lessons is in its account of the pre-flood world. God gave very few laws at that time, leaving man to mostly govern himself. The consequence was that the world quickly degenerated into corruption and violence. The world since the flood has also been hampered with corruption, but it has at least managed to escape total ruin for many thousands of years. The Law of God has no doubt been one of its preserving influences. Law is the very foundation of society. America has been great because its laws were well-reasoned by brilliant men acting under the blessings of God. In recent times, Americans have seen some imprudent laws that were hastily written, and have also seen their wasteful and burdensome consequences. A nation cannot succeed if its laws are bad.

Good law must ultimately be anchored in God. The success of the American legal system has largely derived from the fact that it was founded on the principle that the purpose of law is to *protect* human rights not to *grant* them. Those rights were viewed as already coming from God and as having precedence and priority to human law. This principle is stated in the opening words of the Declaration of Independence: “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights...” Some modern Americans have become careless in this respect to their own peril. It is not uncommon for them to speak of government *giving* them the rights to free speech, religion, etc. When properly viewed, governments do not give any rights. God gives rights, and governments either recognize those rights or rebel against them.

The error in the modern view on this point derives in part from the fact that American thinking has become increasingly atheistic. Atheists are averse to God because they do not savor the idea of submitting to Him, but they evidently do not consider that He is also the foundation of their freedom. If rights come from man and not from God, then which man do they come from: Me, you or who? These considerations explain why Paul did not simply say to the Galatians to stand fast in liberty; rather, he said to stand fast in the liberty *wherewith Christ hath made us free* (Gal 5:1). Human liberty is founded in God and Christ, and is therefore above human law. When Israel opted for a king, God considered this as rejection of Himself (1Sam 8:1-19), and He gave multiple warnings of what the consequences would be. Though these warnings were varied, they were all unified on a common principle: *Every* one of them involved a forfeiture of rights and freedom. It is not coincidental that in almost every modern society where there has been a departure from God and the Bible, there has been an accompanying increase in governmental scrutiny, regulation and taxation of its citizens.

Christ taught other important principles concerning law when He denounced the lawyers of the Jews: “*Woe unto you also, ye lawyers! for ye lade men with burdens grievous to be borne, and ye yourselves touch not the burdens with one of your fingers,*” (Lk 11:46). He was here referring to the onerous legal system of the Jews with its endless regulations, few of which had Divine authority. On the other hand, The Supreme Lawgiver, Jesus Christ Himself, had but two simple rules to govern all human conduct. The Divine wisdom here teaches that a good legal system is one that has a few well-reasoned laws that are equally enforced upon all men, whereas it is a degenerate legal system that has multitudes of laws, but laws that can be bent by those in power to exempt themselves or their friends. This is truly despotism disguised in republican garb.

The Apostles faithfully continued this type of law after the ascension of Christ. Never has God given mortals more authority than the Apostles. Christ said to them, “*Verily I say unto you, whatsoever ye shall bind on earth shall be bound in heaven: and whatsoever ye shall loose on earth shall be loosed in heaven,*” (Mt 18:18). Further, He said they would “*sit on thrones judging the twelve tribes of Israel,*” (Lk 22:30). Notwithstanding, in one of their most important decrees, they wrote to Gentile believers, “*For it seemed good to the Holy Ghost, and to us, to lay upon you no greater burden than these necessary things...*” (Acts 15:28). Hence, they imposed their authority only where necessary. This sentence is truly momentous. The history of the church and world would have been very different had another stance been taken. Being unencumbered by needless regulation, the early church could remain undistracted from the essentials of Christianity, and left free to spread throughout the varied societies of the world.

Again, when appealing to Philemon, Paul exercised restraint in his authority, saying, “*But without thy mind would I do nothing; that thy benefit should not be as it were of necessity, but willingly,*” (Phm 14). The principle here is that something should not be legislated and enforced if it can be done voluntarily. As there is much more honor in the latter, this is what Christianity should seek. Accordingly, there is a difference between being a *legislator* and being a *leader*. A

legislator forces people into compliance by means of law. A leader first does the right thing himself and then inspires others to voluntarily do the same. Hence, Peter wrote:

*The elders which are among you I exhort, who am also an elder, and a witness of the sufferings of Christ, and also a partaker of the glory that shall be revealed: Feed the flock of God which is among you, taking the oversight thereof, not by constraint, but willingly; not for filthy lucre, but of a ready mind; Neither as being lords over God's heritage, but being ensamples to the flock. – 1Pet 5:1-3*

Laws are of course necessary, but there is more virtue in doing the right thing in liberty than in coercion. A good leader inspires people to do the right thing willingly. America today has many legislators but not many leaders. It has too much dependence on law and too little on patriotism.

The Apostles also taught important principles of law in their creation of the office of deacon. Though it was surely within their authority to select these men themselves, the Apostles took a very different course, saying to the church, “*Wherefore, brethren, look ye out among you seven men of honest report, full of the Holy Ghost and wisdom, whom we may appoint over this business,*” (Acts 6:3). This establishes at least two very important principles of law: First, that the people should choose their own leaders. Second, that law should provide for checks and balances to different powers. The Apostles retained the authority to formally appoint deacons, but the power of nomination was put in the hands of the people. The long success of American government has largely derived from its imitation of the same types of checks and balances.

The New Testament is so protective of liberty that there are several places where it actually warns Christians to use their extensive freedoms prudently (1Cor 8:9, 1Cor 10:29, Gal 5:13, 1Pet 2:16). The fact that a man has a right to do a thing does not imply that it is the right thing to do. It is therefore of great significance that the New Testament opted to handle many such cases by teaching the prudent exercise of rights rather than by denying those rights.

This principle of freedom is especially true in matters of religious conviction. The concept of religious freedom defended by the American Constitution is once again a principle that was borrowed from Christ. He commanded His disciples:

*And whosoever shall not receive you, nor hear your words, when ye depart out of that house or city, shake off the dust of your feet. Verily I say unto you, It shall be more tolerable for the land of Sodom and Gomorrhah in the day of judgment, than for that city. – Mt 10:14-15*

Thus, the unbeliever is not to be coerced or harassed, but his error is to be left in the hands of God. Religious freedom is sometimes misconstrued as the right to believe whatever one wants, but this is only a right before human government and not before God. The true reason for religious freedom is that a forced believer is no better than an unbeliever.



Modern homosexuals and others fail to consider the importance of the Bible to their own protection and freedom. They criticize the Bible for calling upon them to repent, and even if they pretend to respect the Bible, their interpretations of it are so prejudicial and coercive that the same methods would make anything mean nothing. But Peter warned that the unlearned and unstable do wrest (i.e. “twist”) the scriptures *to their own destruction* (2Pet 3:16). A true, New Testament Christian will call on homosexuals to repent today, and regardless of how public opinion evolves, such a Christian will be doing the same thing ten years from now. This is because he is anchored in the Bible. Accordingly, a true, New Testament Christian will not persecute a homosexual today, nor will he do it ten years from now. This is because He is committed to Christ’s commandment to leave rebels in the hand of God. But those who oppose and corrupt the Bible are anchored in nothing more than human opinion – a thing that is very prone to change. Many modern gay supporters have taken their position largely because it is the vogue of the times. Let popular opinion change and these same people could as easily become gay haters and persecutors. Anyone denying this plainly exhibits ignorance of history. Freedom comes from God, and any society seeking to deny or change His word will do so at its own peril.

Unfortunately, religious freedom is now compromised in America by a state-sponsored religion called “evolution” or “Darwinism.” A state-sponsored religion is of course in violation of the Constitution, but it has been defended by the illogic of legally distinguishing a religion by its belief in a God. The error of this can be seen in the fact that if God were scientifically verifiable, the Constitution would have said nothing of the right to believe on Him. This is because the right to believe what is verifiable is axiomatic to law. Therefore, the distinguishing feature of a religion is not its belief in a God, but its belief in that which is not verifiable by scientific method, or equivalently, by its dependence on *faith*. Since the majority of Americans, including a formidable number of scientists, agree that it takes more faith to believe in evolution than to believe in God, evolution is a religion for legal purposes.

It is also possible to commit errors of opposite kind, or by treating a system as a religion when it is not. While governments should, wherever possible, avoid making judgments as to what is a religion and what is not, it is obviously an absurdity to extend religious freedom to a so-called “religion” that denies religious freedom. When presumed “religions” coerce and kill those denying their beliefs, those systems obviously cannot be religions for purposes of law.

## **Free-Market Capitalism**

The Bible is also supportive of the American tradition of free-market capitalism. This can be inferred from the fact that God said nothing to correct this system even though it was almost everywhere observed in the Bible (2Ki 6:25 + 7:1&18, 1Chr 21:-24, Mt 13:44-46, Mt 25:15-17, 16:27, etc). Socialism and Communism are mostly modern phenomena, but have been tested sufficiently to confirm their inferiority. On the other hand, free-market capitalism is defended by a simple and solid line of reasoning: If society values a good or service, then it will pay a price for it, thereby motivating profit-seekers to supply it. However, if a good or service is held in less

value by society, this results in less profit potential, so that suppliers will abandon or reduce its production, thereby releasing valuable resources for the production of other things. Further, if there are two suppliers with one being innovative and efficient, but the other being archaic and wasteful, the first supplier will be able to gain market share either by selling a superior product or by selling at a lower price. This forces its competitor to become more innovative and efficient also. Free market capitalism therefore tends to best satisfy the wants of society by means of the most efficient use of resources.

Contrast this to socialistic systems characterized by central planning, regulation and price control. Such systems are infamous for their inefficiency and for the inferiority of their products. This is because the right of production is not gained through competition but through contract awarded by the central authority. Also, because equilibrium prices are almost impossible to calculate, the central authority will commonly set prices either too high or too low, the result being a chronic state of surplus or shortage. When Russia and Eastern Europe were under Communism, even though some of these countries were richly endowed with natural resources and well-educated people, there was little international interest in their products because they were notoriously inferior. Citizens of these countries were also commonly frustrated to find that shelves in their stores were empty of what they needed but overstocked with what they did not.

Liberals with socialistic tendencies aspire to objectives that are actually mutually exclusive. They tend to vilify profits and those who make them, but then support big government and a welfare state. The contradiction is that one cannot have the second without also having the first. The typical liberal seems oblivious to the fact that government must ultimately be financed through the profits of its society. Roads, bridges, tanks, airplanes, food stamps, welfare checks, etc. must be paid, either directly or indirectly, by taxation of profit that someone has made. A lazy man who insists upon being supported by a welfare check ought to rejoice to see others being enriched by profits because this is what ensures his sustenance. Instead, he is more apt to envy those who prosper, and cast his vote for a politician who is very happy to cater to his illusion that the detriment of the rich man will somehow serve to the benefit of himself. Such absurdities explain why socialism travels an almost sure path to bankruptcy.

The experience with capitalism has been that it tends to be a system wherein the rich get richer and the poor get richer, though not necessarily at the same pace. The effect of socialism has been that all sink in poverty together. Socialism may therefore serve as a solution to human envy, but at a price that only a fool would be willing to pay. Capitalism is charged with exploitation of the poor, yet the poorest in this system are typically much better off than the poorest observed under socialism. Also, most Americans would be very surprised to know how little of the public coffer would be necessary to support those in this country who are truly poor. Experience shows that the wealth generated by free-market capitalism under prudent governance is so copious and dispersed that care for the remaining poor becomes a minor burden. Poor governance has done far more to elevate the deficits and debts of this country than poor people.

Capitalism is also charged as being too vulnerable to economic cycle with boom and bust. While it is true that capitalism is subject to economic cycle, the booms and busts in the American economy over the last century could be more credibly charged against imprudent government interventionism than against the free market. No economic system can be perfect as long as it involves imperfect people, but both reason and experience show that capitalism is the best system even if not a perfect one. There is little reason in either logic or experience to suppose that other economic systems would fare any better in this respect when all things are considered.

Obviously, “free market capitalism” does not mean that people are free to be dishonest or deceitful, nor does it mean a market that is void of all regulation. Laws requiring honesty and disclosure are right and reasonable. Good laws can also serve to actually facilitate the functioning of a free and fair market. But laws that divert resources from where the free market would have put them, or which impose prices differing from what the free market would have imputed, are laws that will almost surely lead to inefficiency and deter economic progress.

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