By Miguel A. De La Torre

During the summer of 2012, I had the privilege and honor of teaching at Gadjah Mada University in Yogyakarta, Indonesia. Thanks to John Raines’ introductions, I obtained a Fulbright grant and taught liberation theological trends within world religions. While I was there, Raines visited the University and gave a public lecture on June 20, 2012, *Making Global Capitalism More Just by Imposing an International Transaction Tax*. It was great to sit in the audience once again as a student of one of my mentors. Based on his lecture, and in honor of how he taught me when I was his student to pay close attention to issues of class, I write the following response, of which I included portions in the upcoming second edition revision of my *Doing Christian Ethics from the Margins*.

Capitalism has historically been based on making things (manufacturing) and growing things (agriculture) with the end goal of selling what was produced. To accomplish this goal, laborers were needed to toil in factories or harvest fields. To build factory buildings or buy heavy farming equipment, proprietors engage in financial transactions as a means to the end of bringing their product to market. Neoliberalism,¹ however, has moved beyond these traditional ways of making money. Instead financial transactions, specifically international financial transactions, have become the means, in and of themselves, by which wealth is built without the need of producing anything tangible, which in turn creates employment. During Raines’ lecture at Gadjah Mada University, he compared the global transactions for actual goods and services in 2002 at $32.5 trillion and 2010 at $62.5 trillion with the activities in the world of exotic global financial transactions in 2002 at $1,122.7 trillion² and 2010 at $3,456.5 trillion.³ The ratio between the non-tangible economy where money makes money using only money, and the real economy that produces goods and services (and jobs) was 1:34.5 in 2002, increasing to 1:55.3 in 2010.⁴

Even the pro-*laissez-faire* conservative, former French president Nicolas Sarkozy, succinctly explains why these ratios are problematic.

> This crisis is not just a global crisis. This crisis is not a crisis in globalization. This crisis is a crisis of globalization. . . Globalization took a wrong turning the moment we accepted unconditionally, unreservedly and without any limit the idea that the market was always right and that there could be no argument against it. Let us go back to the root of the problem: it was the imbalances in

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¹ Neoliberalism is a relatively new economic term. It was coined in the late 1990s to describe the social and moral implications of the free-trade policies of global capitalism (liberalism) since the collapse of the Eastern Bloc (neo-, meaning new or recent). Critics maintain that neoliberalism is responsible for the increasing disparity in global wealth and that it has created a parasitic relationship where the poor of the world sacrifice their humanity to serve the needs, wants, and desires of a privileged few.

² $1,122.7 trillion represents $699 trillion in derivative product transactions, $384.4 trillion in currency exchange transactions and $39.3 trillion in the purchase of financial titles (i.e. stocks and bonds).

³ $3,456.5 trillion represents $2.703.5 trillion in derivative product transactions, $675 trillion in currency exchange transactions and $78 trillion in the purchase of financial titles (i.e. stocks and bonds).

the world economy which fed the growth of global finance. Financial
deregulation was introduced in order to be able to service more easily the
deficits of those who were consuming too much with the surplus of those who
were not consuming enough. The perpetuation and accrual of these imbalances
was both the driving force and consequence of financial globalization...

[Globalization of savings has given rise to a world where everything was given
to financial capital, everything, and almost nothing to labor, one where the
entrepreneur gave way to the speculator, where those who lived on unearned
income took precedence over workers, where the use of leverage... was
becoming unreasonably disproportionate, and all this created a form of
capitalism in which it had become normal to play with money, preferably other
people’s money, to make easily and extremely rapidly, effortlessly and often
without creating either prosperity or jobs, absolutely enormous sums of
money... The crisis we are experiencing is not a crisis of capitalism. It is a
crisis of the distortion of capitalism... Purely financial capitalism is a
perversion which flouts the values of capitalism."

Huge transfer of wealth from the global middle class toward an elite global minority has
radically changed the foundations of capitalism. Ironically, it appears that the continuous
demise of entrepreneurship capitalism is caused by the rise of global neoliberal financial
markets.

While the shift of wealth building via exotic global financial transactions is occurring, the
World Bank and the IMF serve as key institutions (churches?) of neoliberalism which
improvises the Global South. They impose “conditions” and “structural adjustments”
(normally severe cuts in health, education, and social services) on member states starving
for credit. A key component of “structural adjustments” is turning national enterprises over
to private investors. The privatization of national economies shifts the emphasis from
achieving social goals to profit-making. Workers most often face massive wage cuts and
layoffs as private owners seek to improve their bottom-line by cutting labor costs. The
result of privatization in many underdeveloped countries entails a disappearance of social
benefits and a direct reduction of the standard of living for workers.

This new neoliberal economic order dictates how a society is to be ruled. Global financial
institutions set political policies that impact millions of lives. The power of the World Bank
and IMF to impose structural adjustments facilitates their ability to force nations to
participate in the world economic order even if the terms of participation are unfavorable,
especially to those who are disenfranchised. These structural adjustments invariably
include devaluing the currency, correlating price structures to global markets, terminating
import restrictions and exchange controls, imposing user fees on services (such as water,

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5 Nicolas Sarkozy, “Opening Speech by Nicolas Sarkozy at the 40th World Economic Forum,” Davos,
Switzerland, January 27, 2010.
6 Franz J. Hinkelammert, “Globalization as Cover-Up,” in Globalization and Its Victims (London: SCM
health care, and education), and reducing national sovereignty. The result is usually that the world’s marginalized witness the weakening, if not the outright dismantling of, their economic safety net (protection for women and children in the workplace, social security benefits, labor unions), coupled with increased unemployment and pending ecological collapse. In a twisted form of logic the increase of unemployment, which leads to increasing poverty and misery among the world’s poor, is hailed as positive. For the World Bank, unemployment means that “bloated” enterprises become lean units capable of competing in the open world market.

In the end the state becomes the servant of the capitalist structures responsible for maintaining, “law and order” by squelching any resistance to the status quo. Human freedom and liberty are redefined to mean freedom for the flow of capital and goods, access to a ready and flexible labor pool, and the dissolution of state’s rights to determine a separate and contrary destiny. Those who question neoliberalism are not necessarily opposed to globalization, which has become a reality of modern life. Rather, they protest how globalization has come to be defined. This new political, social, and economic order called neoliberalism negatively impacts all humanity, especially the marginalized.

Neoliberalism provides the few with the right to determine what will be produced, who (nation-state or group of individuals) will produce it, under what conditions production takes place, what will be paid for the finished product, how much profits will result, and who will benefit from these profits. In spite of foreign aid programs designed by rich nations to assist so-called underdeveloped nations, more of the world’s wealth in the form of raw materials, natural resources, and cheap labor is extracted through unfair trade agreements than is returned under the guise of humanitarianism or charity. The first world continues to appropriate the resources of weaker nations through the open market, causing internal scarcities in basic living needs required to maintain any type of humane living standard.

Insuring stable political systems, regardless of how repressive they may be, is a prerequisite for the economic marketplace to function. Political stability, which is needed to insure the steady and profitable flow of goods, supersedes the need for freedom and liberty. Thus, a history exists of U.S. pressure to topple democratically elected governments and install tyrants who secured stability (as has happened with the governments of Abenz in Guatemala, Allende in Chile, and Mossadegh in Iran). Ironically supporters of the continuing expansion of neoliberalism often confuse this economic structure with democratic virtues like liberty. Therefore, raising questions about ethics of the present economic structure can be construed as an attack on democracy itself.7

To some degree neoliberalism can be understood as a religion, with the World Bank akin to its ecclesial institution. According to economic development experts Susan George and Fabrizio Sabelli, the World Bank is “[a] supernational, non-democratic institution [that] functions very much like the Church, in fact the medieval Church. It has a doctrine, a rigidly

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structured hierarchy preaching and imposing this doctrine [of neoliberalism] and a quasi-religious mode of self-justification."

For Latin American theologians Clodovis Boff and George Pixley, "The theological status of [neoliberalism] today is precisely that of a vast idolatrous cult of the great god Capital, creator and father of so many lesser gods: money, the free market, and so on." Like most religious beliefs, the economic pronouncements expounded by the World Bank or IMF can be neither validated nor invalidated, but are usually accepted on faith. The ethics employed by these institutions are not based on concepts of morality but on interpreted principles of economics and the power amassed by the institution. This point is best illustrated by Brian Griffiths, vice-chairman of Goldman Sachs International and member of the British House of Lords who said, "What should be the Christian response to poverty? First, to support global capitalism by encouraging the governments of developing countries to privatize state-owned industries, open up their economies to trade and investment and allow competitive markets to grow."

For neoliberalism, market forces are more important than ethics, even when the market causes widespread hunger and poverty. Economist Milton Friedman once said, "Indeed, a major aim of the liberal [market] is to leave the ethical problem for individuals to wrestle with. The 'really' important ethical problems are those that face an individual in a free society—what he should do with his freedom."

Any focus on individual and personal issues of faith and redemption poses problems for Christian ethicists, especially those who work on the margins. Daniel Bell best captures this new neoliberal attitude toward ethics in the words, "Capitalism has put a new twist on Augustine's famous dictum, 'Love and do as you please.' Now it is, 'Produce for the market and do as you please.'" The pursuit of gain for the few most often creates scarcity for the many. Liberation theologians such as Peruvian Gustavo Gutiérrez insist that "In the Bible, material poverty is a subhuman situation, the fruit of injustice and sin." Here then is the crux of the conflict between neoliberalism and the gospel message of liberation: neoliberalism lacks a global ethical perspective because it reduces ethics to the sphere of individualism.

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9 Clodovis Boff and George V. Pixley, The Bible, the Church, and the Poor, trans. by Paul Burns (Maryknoll, NY: Orbis Books, 1989), 144.
12 Daniel M. Bell, Liberation Theology after the End of History: The Refusal to Cease Suffering (New York: Routledge, 2001), 18.
The dichotomy between communal and personal ethics or between market forces and human development allows Christians to accept the market as a “good.” In turn the market determines the fate of humanity, and humans exist for the market. Maximization of wealth becomes an intrinsic virtue, as well as a reason for being, and competition separates the sheep from the goats. Economic “losers” result from a lack of personal ethics to manage their own lives properly. Being unemployable indicates a collapse of moral duty to maximize one’s potential in the labor marketplace. Transnational corporations also compete by eliminating competitors through mergers and acquisitions, which usually result in job losses. As technological advances reduce the need for manual labor, humans become dispensable, nonessential units that are rendered superfluous. Although raw material remains in high demand, the populations of the two-thirds world are no longer needed.14

Neoliberalism tends to encompass and dictate every aspect of human existence. Nothing can exist outside the market. Even nations are reduced to “companies” with which the transnationals form alliances. Every thing and body is reduced to a consumer good. If a nation is unable to compete in the global marketplace, then a process of financial prioritizing known as “structural adjustments” or “austerity programs” takes place so that the nation can become a stronger player, usually at the expense of their populations whose living conditions worsen.

The most prominent feature of the Christian worship tradition is the concept of sacrifice, which is rooted within the Jewish faith. Among the many reasons mentioned by the Hebrew Bible for offering a sacrifice (such as tribute, cleansing, thanksgiving, supplication, ordination, or peace), Christians prioritize the sin and guilt offerings. Spilling the blood of an unblemished animal for the atonement of sin became the basis for a dominant historical understanding of the crucifixion of Christ.15 For many Euroamerican Christians, the death on the cross of Jesus, “the lamb of God who takes away the sins of the world” (John 1:29), becomes the ultimate sacrifice that serves to reconcile God with sinners. The death of a sinless Jesus as a substitute for a sinful humanity that deserves God’s punishment restores fellowship between God and humans. Suffering and death become salvific.

Jesus paid by his death so that others might live, a concept not limited to the Christ event. For some to live in abundance, others must die. Theologian Mark Lewis Taylor explains that the “Nascent capitalism of modernity is a sacrificial economy worshiping money as its fetish, and sacrificing the subjective corporeality of the [marginalized]. So necessary is the sacrifice that it is rationalized as legitimate.”16

15 For Jews, sin offerings were not given for the atonement of sin. Sins committed against others were handled with an appropriate punishment or restitution formula, while deliberate sins against God were beyond redemption (Numbers 15:30–31).
The center of power can participate in all the riches that life has to offer, because those on the periphery die as they produce those riches. The death of those perceived to be inferior could be viewed as a sacrifice offered to neoliberalism, so that a few can enjoy their abundance. Like Christ, the marginalized of the earth die so that those with power and privilege can have life abundantly.

Those suffering on the margins of society epitomize what liberation theologians call God’s “crucified people,” for they bear in a very real way the brunt of the sins of today’s oppressive social and economic structures. As a crucified people they provide an essential perspective on salvation. Theologians who come from the margins of power insist that God intentionally and regularly chooses the oppressed of history, and makes them the principal means of salvation. They maintain that this is done in the same fashion as God chose the “suffering servant,” the crucified Christ, to bring salvation to the world.\textsuperscript{17} God has always chosen the disenfranchised as agents of God’s new creation. It was not to the court of Pharaoh that God’s will was made known, but God chose their Hebrew slaves, the Jews, to reveal God’s movement in history. God chose to perform the miracle of the incarnation not in Rome the center of the empire, nor Jerusalem, the center of Yahweh worship. God chose impoverished Galilee to proclaim first the message of the gospels. Nazareth, Jesus’ hometown, was so insignificant to the religious life of Judaism that the Hebrew Bible never mentions it.\textsuperscript{18} This theme of solidarity between the crucified Christ and the victims of oppression permeates scripture.

Nonetheless liberative ethicists maintain that there is nothing salvific about suffering itself, because that reinforces domination. Ethicists like Delores Williams find the image of Christ as surrogate victim too painful to incorporate into the black woman’s experience, who during and after slavery was forced and coerced into a similar role.\textsuperscript{19} Other black feminist theologians and womanist thinkers such as Stephanie Mitchem remind us:

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Suffering in itself is not salvific. It is redemptive only in that it may lead to critical rethinking of meaning or purpose, as might any life crisis. Such reexamination is part of the process of human maturation. However, suffering is a distinctive starting place for thinking about salvation as it brings into sharp focus human experience in relation to God.\textsuperscript{20}
\end{quote}

Forgetting that the cross is a symbol of evil allows for the easy romanticization of those who are marginalized as some sort of hyper-Christians for the “cross” they are forced to bear. Such views tend to honor those suffering, which encourages a form of quietism and

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\item \textsuperscript{17} Jon Sobrino, \textit{Jesus the Liberator: A Historical-Theological Reading of Jesus of Nazareth}, trans. by P. Burns and F. McDonagh (Maryknoll, NY: Orbis Books, 1993), 259–60.
\item \textsuperscript{18} Miguel A. De La Torre and Edwin David Aponte, \textit{Introducing Latino/a Theologies} (Maryknoll, NY: Orbis Books, 2001), 78.
\end{itemize}
stoic tolerance of suffering instead of encouraging praxis that can lead toward the end of suffering. The example ethicist Stanley Hauerwas’ argument proves detrimental to disenfranchised communities as he reminds the marginalized that salvation is in fact, “a life that freely suffers, that freely serves, because such suffering and service is the hallmark of the Kingdom established by Jesus.”21 All who know disenfranchisement should be concerned when Euroamericans tell them why their suffering, usually caused by Euroamericans in the first place, makes them better saved Christians.

If salvation exists in the life and resurrection of Jesus Christ as well as in his death, then his crucifixion can be seen as the unjust repression of a just man by the dominant culture of his time. The crucifixion becomes an act of solidarity with those relegated to exist on the underside of our present economic structure. Ethicists from the margins maintain that the importance of the crucifixion lies in Christ’s solidarity with the oppressed, Christ’s understanding of how those who are oppressed suffer, reassurance for the disenfranchised that Christ understands their sufferings, and finally the hope that, because of the resurrection, ultimate victory exists.

All too often the romanticization of the crucified people leads to disturbing biblical interpretations that reinforce oppressive structures rather than seek liberation from said structures. This especially occurs when the Bible text is read from a position of power and privilege, even to the point of making the condition of those oppressed models for the victims of racism, classism, and sexism. In Mark 12:41-44 (repeated in Luke 21:1-4) we are told the story of a poor widow who gives all that she has to the Temple. The story of the widow’s mite is generally idealized by the dominant culture as an example of Christian behavior for those who are poor. Those who are poor are expected, if they wish to be considered faithful, to give to the church even if it means they go without. But missing from the interpretation is how the widow’s self-sacrifice is related to the self-indulgence of the religious leaders who profit from her religious commitment.

When we read this story from economic privilege we ignore how the normative interpretation maintains societal power relationships detrimental to the poor. Yet, if we were to read the story of the widow’s mite from the perspective of the poor, we would discover that in Mark’s account the story of the widow’s offering is immediately preceded by Jesus’ outrage toward the religious leaders who devour the possessions of widows. Mark states: “And [Jesus] said to them, . . . [the religious leaders are] devouring the houses of the widows under the pretense of praying at length (12:38-40).”

In Luke’s account, Jesus immediately concludes the story of the widow’s offering with his prediction of the Temple’s destruction. Luke states, “Some were speaking about the Temple, that it was decorated with stones and gifts. He said, ‘These things you see, days will come when one stone will not be left on a stone’ (21:5-6).” If we read Mark and Luke together, we discover that Jesus is not praising the widow’s offering as a paragon to be emulated by the poor. Instead, Jesus denounced a religious social structure that cons the

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widow out of what little she has. It is bad enough that the biblical text is misinterpreted to mask the sin of the religious leaders who fleece the poor. What becomes worse is when the poor begin to interpret the text in such a way that they maintain the structures designed to oppress them.

I met the victims of neoliberalism while I was, thanks to John Raines, in Yogyakarta, Indonesia. Both Raines and my analysis are enfleshed in the wretched of the earth whom I encountered; those whom the Prophet Amos had in mind when he proclaimed “They sell the just for silver, and the poor for a pair of sandals” (Amos 2:6). While I cycled through Javanese villages not far from Gadjah Mada University where I taught, I visited rural communities and spent the day at small cottage industries. I partook in making noodle pastries, tempe snacks, laying bricks, and harvesting rice. It is so easy to romanticize the poor and misread their smiling faces and pleasant demeanor for contentment and hope. All of these activities caused me to think deeper about the connection between my global privilege and their economic disenfranchisement. I remained convinced that we who live in the heart of empire along with the few within the Global South who enjoy a middle and upper-class lifestyle, do so because the just are sold for silver and the poor for a pair of sandals.

_I got shoes – you got shoes – all of God’s children got shoes_

This truth became obvious as I symbolically joined rural farmers harvesting rice. At the time I wore expensive, water-resistant hiking shoes that cost me about $200. Those wheeling the sickle were barefoot. I did the backbreaking work for a few minutes, but those gentlemen, who were over sixty, spent the entire day scrunched over as they harvested the field. I asked how much they expected to make that day. They said that they would be paid 30,000 rupiahs at the end of the day. This translates to about $3.19, barely above the lower range of Indonesian wages, which averages from $2.93 to $5.35 a day. Of course there is an underground economy that relies on trading goods and services and complicates the livability of the people. Still, there seems to be something wrong with equating a day’s wage with the pocket change most Americans carry.

_When I get to heaven, I’m going to put on my shoes_

If these rural workers have children who wish to attend college, they would be unable to pay tuition cost for a year at a low-end school that costs less (about half less) than my hiking shoes. With the added expenses of books, housing, and meals, college becomes impossibility. Their children are relegated to find a similar type of employment on farms or in the city. What would happen if this field hand worked at one of the Nike’s factories in Indonesia? Maybe then he could get a pair of comfortable shoes in which to work the fields. No. He or she could expect a salary of about 1.285,000 rupiahs a month or about $4.80 a day. This is barely enough to pay rent for a tiny bare room, buy two meager meals a day, and bus fare to get to work.22 The worker would not be able to buy the Nike sneakers they

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are producing. Why? It is because the workers too are sold for a pair of sandals (or in this case, sneakers).

I’m going to shout all over God’s heaven

I can buy hiking shoes, because the poor of the earth makes them for me at slave wages. My riches are directly connected to their poverty. But the ones who truly benefit are the CEOs and the stockholders in such companies (have you checked your retirement stock portfolio lately) who directly are rewarded by keeping expenses (salaries of those who make the product, not the CEO’s leadership team) as low as possible. The internal contradiction of capitalism lies in the fact that as corporations search throughout the globe for the lowest possible wage to pay, the day will come (if it hasn’t already) when workers will not be able to purchase what they produce. This will cause an abundant surplus of goods whose weight could crush capitalism. Could it be that the 2008 Great Recession is the starting death pangs of this global economic system we created—death pangs which may whimper on just a few more generations?

Everybody talking ‘bout Heaven ain’t going there

The great irony of all this is that Congress has moved to protect the so-call “job creators” from taxation. In reality their bonuses are calculated on how many jobs they can eliminate, outsource, or maintain at the lowest possible wage. In effect, “job creators” receive large bonuses when they sell the poor for a pair of sandals. Raines has blessed his students and me as he trained us to pay close attention to how power works within capitalist structures to understand why the poor of the earth are sold for a pair of sandals.

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