

Point of View

A BIBLICAL VIEW ON

Capitalism

By Kerby Anderson



Capitalism

Nearly a decade ago, I wrote a booklet on *A Biblical View on Capitalism and Socialism*.[1] Since then, I have also written other booklets on socialism, which provide an answer to the claims of candidates from the Democratic Socialists of America. But there is also a need to set forth why capitalism and the free market need to be defended and supported.

The Shift from Capitalism to Socialism

When I wrote my earlier booklet, I mentioned a poll of millennials that found a majority (58 percent) would prefer to live in a socialist nation than a capitalist nation. And a smaller percentage (42 percent) favored capitalism. Of course, many of them probably didn't even know how to define socialism (which is a problem today).

A recent Cato Institute poll of the GenZ population found that a majority of them (53%) view socialism favorably.[2] The poll also found that more than a third (39%) would be more likely to vote for a Democratic Socialist candidate.

Part of the problem with this shift to socialism is the fact that many young people do not understand what they are supporting. Socialism sounds fair to them. And capitalism sounds evil since they have seen numerous depictions of evil, greedy capitalists in the

movies and television. Think of the last time you saw a successful businessman portrayed in the media.

Another obvious issue is the fact that younger Americans are less likely to associate socialism with Soviet-style repression. Instead, they are told (incorrectly) that socialism is functioning well in Europe.

Also, young adults don't have "skin in the game" and thus do not think of the implications of an economic system on their future earnings. If they are in the economy, they are frustrated with the issue of affordability and naively think an economic transformation is the answer to their frustrations.

I am reminded of the famous phrase: "If you're not a liberal when you're 25, you have no heart. If you're not a conservative by the time you're 35, you have no brain." Arthur Brooks has been on *Point of View* and proposed a variation: "A man who is not a socialist

at 20 has no heart; a man who is still a socialist at 40 either has no head or pays no taxes."[3]

Capitalism versus Socialism

How should we define capitalism and socialism? Here are some brief definitions of these two economic systems.

Capitalism is an economic system in which there is private property, and the means of production are privately owned. In capitalism, there is a limited role for government. Socialism is an economic system in which there is public or state ownership of the means of production and the primary focus is on providing an equality of outcomes. In socialism, the state is all-important and involved in central planning.

We can trace the philosophical foundations of capitalism to Adam Smith, who published *The Wealth of Nations* in 1776. His defense of a free market rested on three major ideas: self-interest, private property, and laissez-faire.

Consumers operate within a market system from a basis of self-interest. He observed that: “It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.”[4] He concluded: “Neither intends to promote the public interest” yet they are “led by an invisible hand to promote an end that was not part of [his] intention.”

Private property is another foundation of capitalism. Property was not to be held in common but owned and freely traded in a market system. Profits are generated from the use and exchange of private property rights which provided incentive. This, therefore, makes each person accountable for his own productivity.

Laissez-faire was a French word he used to describe the minimization of the role of government. This has the advantage of liberating economic po-

tential. It also leads to a great amout of political and economic freedom.

Often, when I speak on this subject, I show a chart that compares the very low GDP of countries that have the least economic freedom to the ones that have the most economic freedom and the highest GDP.

Some of the Benefits of Capitalism

Many leaders of the Democratic Socialists argue that capitalism is doomed to fail because it leads to wealth inequality. Actor Mark Ruffalo concluded, "Capitalism today is failing us, killing us, and robbing from our children's future."

Steve Forbes disagrees. "Capitalism has done just the opposite!" replies Steve Forbes. "Deaths from famines are down 99% in the last 60 years. Standard of living, 10 times better than it was 50 years ago around the world."[5]

He isn't the only person saying that.

Most people know Bono as a musician with the group U2. But here is what he said at the World Economic Forum: "Capitalism is not immoral—it's amoral. It requires our instruction. Capitalism has taken more people out of poverty than any other ism."[6]

Steve Forbes also argued: "Capitalism, free enterprise, free markets, whatever you call it is a moral system because success comes from meeting the needs and wants of others." He further explained that capitalism is humane: "You may not love your neighbor, but you sure want to sell to your neighbor. It gets people working on a common objective, even if they don't realize it."

Another benefit of capitalism is technological innovation. Citizens are free to invent and are encouraged to do so because they can receive the financial benefits of their ideas and inventions.

This results in new products and technologies. It also results in higher-

quality technologies. In a free market, the best way to get consumers to buy your product or service is to produce it cheaper with higher quality. This of course also lowers consumer prices.

In an interview with John Stossel, Steve Forbes provides a few examples you can read in the linked article. "John Deere was a blacksmith in Vermont, had a hard time making it. He moved to Illinois and noticed farmers struggling with thick soil that stuck to their iron plows. Deere experimented with steel blades until he invented the steel plow."

"George Eastman developed the Kodak camera, making photography simpler and cheaper.

He created this global company, and everyone became a photographer."

"A North Carolina trucker, Malcolm McLean, grew so bored waiting for cargo to be loaded that he invented the shipping container. The cost of shipping items fell as much as 95%. That made

it possible to develop elaborate supply chains."

These are just a few of the stories of how a capitalist economy allowed inventers and entrepreneurs to develop goods and services. We are the beneficiaries of innovations.

Capitalism has been criticized for several reasons. There is the economic criticism that it leads to monopolies. In other booklets and articles, I answer that criticism in detail.

There also is the moral criticism that self-interest would lead to greed. But we need to ask if capitalism makes people greedy or do we already have greedy people who use economic freedom for their own purposes? Considering biblical revelation, the latter seems more likely.

In a truly free market, economic power is dispersed. Capitalism is a system in which bad people can do the least harm, and good people have the free-

dom to do good works. People do have self-interest which can manifest itself as selfishness but also can be used to further the common good.

The most common criticism by Democratic Socialists is what should be called the zero-sum myth. This is the assumption that one person's success comes at others failure. But usually in a free market, there is a win-win scenario.

In his book, *Money, Greed, and God*, Jay Richards uses a fun example from his childhood to illustrate this point.[7] In the sixth grade, his teacher had them play the "trading game." She passed out little gifts to all of the students: a ten-pack of Doublemint gum, a paddleboard with a rubber ball, a Bugs Bunny picture frame, an egg of Silly Putty, a set of Barbie trading cards, etc.

She then asked the students to rate how much they liked their gift on a scale from one to ten. Then she compiled the score and put it on the board.

Then she divided the class into five groups of five students and told them they could trade their gift with anyone in the group. Jay traded the Barbie trading cards he had with a girl in his group who had the paddleboard.

Then the teacher asked them to rate how much they liked their gifts. And she put that number on the board. The total score went up.

Then she told the students they could trade with anyone in the room. Now they had twenty-four possible trading partners rather than just the four in their group. The trading really began to take off. Once again, the teacher asked them to rate their gifts. When she put the number on the board, the total score went up again.

Almost everyone ended up with a toy he or she liked more than when the trading began. In fact, the only individual scores that did not go up were from students who really liked the gift they

received initially from the teacher.

The students that day learned some valuable lessons about a free economy. When people are free to trade, they can add value to the traded item even though it remained physically unchanged. And they saw the value of having more trading partners (in this case twenty-four rather than four). Most of all, they learned that free exchange can be a win-win proposition.

Biblical Perspective

Many Christians are surprised to learn that the Bible does address economic issues, even if it does not endorse any economic system. But we can use biblical principles to evaluate an economic system.

We begin with a biblical view of human nature. The Bible has what we could call a balanced view of human nature. Human beings are created in God's image (Genesis 1:27-28) and have a noble

side influenced by rationality, compassion, and even altruism. But there is also a flaw in human beings. The Bible teaches that all are sinful (Romans 3:23) and that the heart of man is deceitful above all things (Jeremiah 17:9).

An economic system that allows for human flourishing must also protect against economic abuse. As we have already discussed, capitalism provides that opportunity.

Capitalism is also based upon the foundation of private property. First, the Bible teaches that everything belongs to the Lord (Psalm 24:1 – "The earth is the Lord's, and all it contains, the world, and those who dwell in it"). Second, we have been given dominion over the creation (Genesis 1:26-28). And the Bible does grant private property rights to individuals (Exodus 22). In fact, one of the Ten Commandments is about stealing, which implies property rights.

As Christians, we can also add our

moral perspective to the economy. We read in Deuteronomy 8:18 to "Remember that it is the Lord your God who gives you the power to get wealth, in fulfillment of the covenant that He made on oath with your fathers."

And we should enjoy the fruits of our labor. "There is nothing better for a man than to eat and drink and tell himself that his labor is good" (Ecclesiastes 2:24). We should also "work heartily as for the Lord rather than for men (Colossians 3:23).

As Christians we should support a free market and reject the current attempts to implement a socialist economy in this country.

Additional Resources

Kerby Anderson, *A Biblical View on Capitalism and Socialism*, Point of View Ministries, 2018.

Kerby Anderson, *Christian and Economics: A Biblical Point of View*, Cambridge: OH: Christian Publishers, 2016.

Kerby Anderson, *A Biblical View on The Road to Serfdom*, Point of View Ministries, 2025.

Jay Richards, *Money, Greed, and God*, NY: Harper One, 2009.

John Stossel, "The Case for Capitalism," July 29, 2026, https://townhall.com/columnists/johnstossel/2026/07/29/the-case-for-capitalism-n2680299

Endnotes

[1] Kerby Anderson, *A Biblical View on Capitalism and Socialism*, Point of View Ministries, 2018.

[2] Emily Elkins, "New Poll: Nearly Half of Americans Don't Know What America's

250th Is Celebrating," Cato Institute, https://www.cato.org/blog/new-poll-nearly-half-americans-dont-know-what-americas-250th-celebrating.

[3] " Arthur Brooks, The Real Culture War is Over Capitalism, *Wall Street Journal*, April 30, 2009, https://www.wsj.com/articles/SB124104689179070747.

[4] W Adam Smith, *The Wealth of Nations*, chapter 2, 1776.

[5] John Stossel, "The Case for Capitalism," July 29, 2026, https://townhall.com/columnists/johnstossel/2026/07/29/the-case-for-capitalism-n2680299.

[6] Hugh Whelchel, Bono: Capitalism Excels at Poverty Relief, but Needs a Moral Rudder, " February 4, 2019, https://institutefc.org/bono-capitalism-excels-at-poverty-relief-but-needs-a-moral-rudder/.

[7] T Jay Richards, *Money, Greed, and God*, NY: Harper One, 2009.



Point of View

Point of View Ministries • PO Box 30 • Dallas, TX 75221
pointofview.net • 800-347-5151
October 2026 • A Biblical View on
CAPITALISM
© Point of View Ministries 2026