

IPS PRINCIPLE PERSPECTIVE

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THE WORKERS IN THE VINEYARD
A Commentary on Economic Systems and Property

IPS AT A GLANCE

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THE WORKERS IN THE VINEYARD: A COMMENTARY ON ECONOMIC SYSTEMS AND PROPERTY

By Michael R. Winther, President

A parable takes a commonly-understood truth and uses it as a foundation (or a principle) to explain some other truth. In other words, it takes what the audience already understands and then uses this understanding to explain something the audience does not understand.

In Matthew 20, the parable of the workers in the vineyard teaches some important spiritual truths. This parable teaches about God's sovereignty, His justice, His faithfulness to His promises, His grace and mercy, and we cannot forget verse 16, "So the last will be first and the first will be last". Volumes can be written (and have been) about the many important spiritual concepts that are conveyed in this passage.

Most teaching on this parable rightly focuses on the spiritual lessons that it is intended to teach, but here, I would like to discuss the underlying assumptions of the parable—concepts that Jesus would have assumed His audience already understood.

In this parable, there are a number of assumptions that each communicate something about the world. In His telling of the parable, Jesus assumes the following principles to be true:



1. The vineyard has an owner

The vineyard itself appears to be private property with private ownership. The owner does not consult with other authorities in his management

“Our modern society elevates some concepts of equality to an inappropriate level of importance.”

decisions. It is a necessary conclusion that the vineyard is individually owned—not owned as a collective, not owned by society at large, and not owned by the civil authorities.

2. The owner has rights and liberties

It is also important to note that the vineyard owner is at liberty to manage the vineyard as he sees fit. In this parable, the owner doesn't commit any offense against others. He doesn't lie, cheat, murder, or steal. Barring any of these violations of the rights of others, he is free to conduct his affairs as he sees fit—even if his decisions might seem arbitrary or even unreasonable. There are only two limitations on the owner's behavior: that he should not violate the rights of others, and that he is bound by the contracts that he makes.

3. The workers have rights and liberties

The workers are not slaves. On the contrary, these workers have the power of self-determination. They are free to either accept or reject the owner's offer of employment. This alludes to the concept of human liberty—the idea that people are free to act as they see fit, provided they don't violate the rights of others. In this parable, both the workers and the employer possess this human liberty. It is

assumed that they take responsibility for negotiating their own terms of employment, including wages and compensation. It is also assumed that these workers are bound by an agreement into which they themselves entered voluntarily.

4. The importance of contract

When the early-arriving workers complain that they made less per hour than the late-arriving workers, the vineyard owner refers them back to the contract. (Keep in mind that a contract can be written or oral. A written agreement has the advantage of being a recorded document that is not as subject to failing memories or the shady claims of an unscrupulous party. However, an oral contract, if the details can be verified, is no less binding than a written agreement.) In this parable, the contract is assumed to be the definitive standard for regulating the terms of employment.

5. Equality does not override voluntary contract

The vineyard owner did not place a high value on equality—if “equality” here means equal work for equal pay. (The workers received equal pay, but not for equal work.) It is assumed that the owner is free to negotiate unequal contracts if he so chooses.

Our modern society elevates some concepts of equality to an inappropriate level of importance. However, from the perspective of a civil government, equality of outcome and equality of opportunity are actually dangerous pursuits. These supposed “values” negate property rights, contract rights, and civil rights in general. In terms of equality, the only goal of civil government should be equality under the law.

How should we apply these foundations?

In this parable, the most important underlying assumption (the one that is most crucial to understanding the spiritual lesson here) is that the owner is within his rights to award a full day’s pay even to those workers who didn’t begin work until the 11th hour. If Jesus didn’t assume that the vineyard owner had this right of ownership, He wouldn’t have used this scenario to demonstrate His point.

In the present day, though, society assumes that neither the worker nor the business owner has human liberty. The underlying assumption in our world is that it is permissible (even ideal) for society at large (government) to regulate how much a business pays its workers and what benefits the worker is given. In America, our government has rejected the idea that two citizens should be able to make a voluntary, mutually beneficial contract.

“In America, our government has rejected the idea that two citizens should be able to make a voluntary, mutually beneficial contract.”

Ironically, our government prohibits many voluntary contracts while forcing citizens into involuntary exchanges. For example, a baker cannot make a voluntary, mutually agreed contract with an employee on any terms except those mandated by the state (government mandates the minimum wage, benefits, rest periods, sick pay, and more). All of these mandates interfere with the rights of both the employer and the worker to negotiate their own contract. Government prohibits many voluntary arrangements, but the state thinks that it can force the baker to bake a wedding cake for a customer against his will. The voluntary is prohibited, while the involuntary is mandated. In such circumstances, government is using its force not to protect rights, but to violate them. We needn’t look too hard to find dozens of other examples in which our government violates both choice and contract.


Imagine how ineffective this parable becomes if a culture fails to properly understand the assumptions of the parable. If a culture believed that there should be no private property and that all property should be held “in common”, then the landowner would have no right to act unilaterally as he did.

If only the “community” as a whole can negotiate contracts, then his contract with the workers is null and void. Or if, as in our own society, a culture believes that economic equality is more important than private contract, then the actions of the landowner are again illegitimate. If the vineyard owner had no right to act or if he acted illegitimately, then the spiritual message of the parable is reversed, and the parable would actually convey the opposite spiritual meaning.

The inescapable conclusion is this: in a collectivist and socialist society, the parable either loses its intended meaning or, more likely, has a reversed meaning. It is only in a society of individualism, private property, free markets, and voluntary contract that we can ascertain the proper application of the parable.

Conclusion

We should not have to teach on the assumptions of any parable. The parable works because its underlying assumptions are understood by all. And for much of the past two millennia, this was probably true.

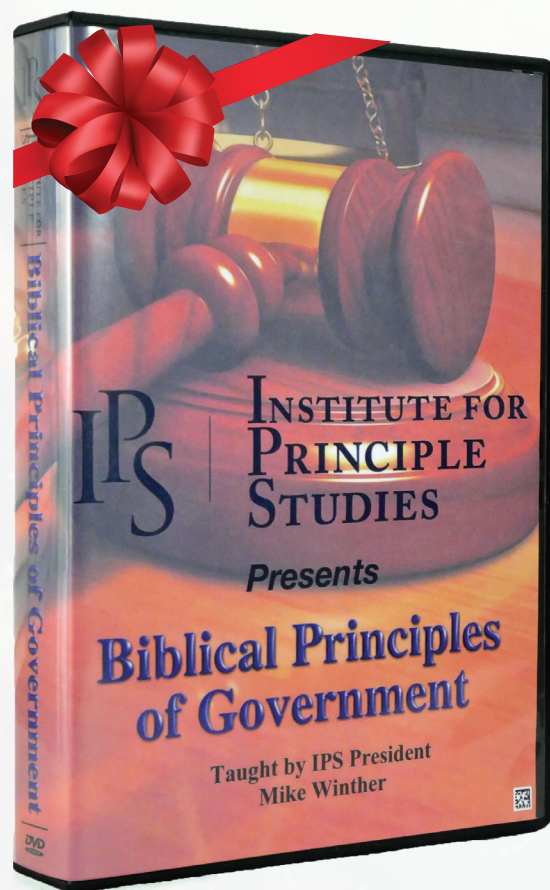
In our current world, however, our understanding of reality, of justice, of property, of contract, and of rights has become weakened so that it is necessary for Christians to do two things. First, we must re-teach the parable’s assumptions, and second, we must apply these assumptions to the world around us. Ultimately, we need to understand that the Bible teaches and promotes the concepts of private property and private contract—concepts that modern America and much of the modern church fail to understand. 

MATTHEW 20:1-16

“For the kingdom of heaven is like a master of a house who went out early in the morning to hire laborers for his vineyard. After agreeing with the laborers for a denarius a day, he sent them into his vineyard. And going out about the third hour he saw others standing idle in the marketplace, and to them he said, ‘You go into the vineyard too, and whatever is right I will give you.’ So they went. Going out again about the sixth hour and the ninth hour, he did the same. And about the eleventh hour he went out and found others standing. And he said to them, ‘Why do you stand here idle all day?’ They said to him, ‘Because no one has hired us.’ He said to them, ‘You go into the vineyard too.’ And when evening came, the owner of the vineyard said to his foreman, ‘Call the laborers and pay them their wages, beginning with the last, up to the first.’ And when those hired about the eleventh hour came, each of them received a denarius. Now when those hired first came, they thought they would receive more, but each of them also received a denarius. And on receiving it they grumbled at the master of the house, saying, ‘These last worked only one hour, and you have made them equal to us who have borne the burden of the day and the scorching heat.’ But he replied to one of them, ‘Friend, I am doing you no wrong. Did you not agree with me for a denarius? Take what belongs to you and go. I choose to give to this last worker as I give to you. Am I not allowed to do what I choose with what belongs to me? Or do you begrudge my generosity?’ So the last will be first, and the first last.”

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MINIMUM WAGE LAWS: A HINDRANCE TO THE POOR

By Dr. Shawn Ritenour

The minimum wage is the most popular example of a price floor. A price floor is defined as the minimum legal price for a good. It is the lowest price that can be charged by sellers and paid by buyers. A price floor in the labor market is called the minimum wage, the lowest amount that is legally allowable to pay a worker.

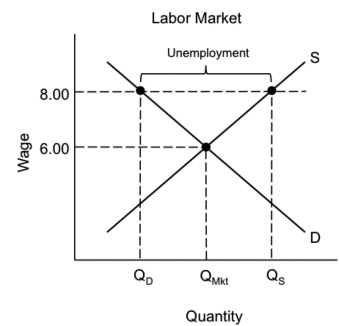
A minimum wage will have an effect on the wages actually paid only if the minimum wage is above the market wage. If the market wage is above the minimum, the market wage will be paid and the policy will have no impact on the market. If the minimum wage is above the market wage, as indicated in the graph below, things are different.

“Living wage laws actually make it harder for the poorest of society to earn a living.”

Suppose the market hourly wage is \$6.00 and the state imposes a minimum wage of \$8.00. This immediately creates a situation in which the quantity of labor supplied is greater than the quantity demanded. If such a wage occurred in a free market, the difference between quantity supplied and quantity demanded would be a temporary excess supply that would dissipate as more eager workers bid down the wage rate to the market clearing level.

With an effective minimum wage, however, it is against the law for more eager workers to bid down their selling price. A minimum wage, therefore, does not generate a temporary excess supply, but a permanent surplus. In a word, the minimum wage produces unemployment. The surplus can

get even worse over time as the artificially high wage attracts workers into the effected market, while at the same time discouraging entrepreneurs from demanding labor. If we have unemployment, there must be something preventing wages from falling to their market-clearing level. That something must be the government.



Far from reducing the plight of the working poor, therefore, the minimum wage exacerbates their condition. People who receive low wages for their employment do so because they are relatively less productive. We do not make them more productive simply by mandating a higher minimum wage. A government mandated minimum wage merely makes them more expensive to hire. At any minimum wage above the market wage, some workers will be laid-off or not hired to begin with. Those who are not hired to begin with will be placed on a lower income trajectory over time, because their ability to learn job skills will be delayed because their entry into the labor force



will occur later relative to what they could achieve in a labor market unhampered by a minimum wage. Living wage laws actually make it harder for the poorest of society to earn a living.

Conclusion

In a free market, entrepreneurs and workers negotiate mutually agreed wages. In this fashion, the plethora of various interests of people in society are harmonized in a peaceful, socially beneficial way. When the state steps in through either minimum wages or providing unions with legal privileges, it pits worker against worker, worker against entrepreneur, citizen against citizen.

The only way to sustainably increase standards of living for all workers is to work to increase their productivity. This requires saving and investment in capital accumulation and technology so workers have more and better capital goods with which to work. Any short cut we try as an alternative at most will only help some people while harming others

“If we have unemployment, there must be something preventing wages from falling to their market-clearing level. That something must be the government.”

and will not provide any sustainable improvement of economic well-being over the long run.

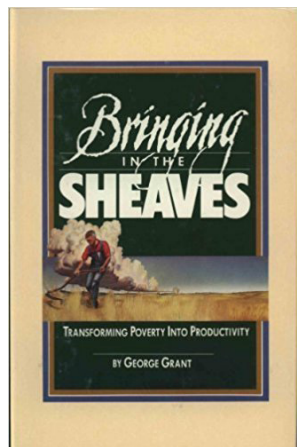
Dr. Shawn Ritenour is professor of Economics and Sociology at Grove City College and a member of the IPS Scholars Council. Shawn has served as visiting professor at the University of Angers in France and as an economist for the U. S. Bureau of Labor Statistics. Dr. Ritenour is the author of the book Foundations of Economics: A Christian View, in addition to The Fed at One Hundred, Great Austrian Economists, and A Noble Calling.

Book Review

BRINGING IN THE SHEAVES: TURNING POVERTY INTO PRODUCTIVITY

By Dr. George Grant

Reviewed by Steven F. Butner, Marketing & Development



How many times have you seen a homeless person or poverty-stricken individual and felt sorry for them but at the same time torn about what to do? Do you give the person cash, or do you buy

something for them? Do you stop and talk, pray, or refer them somewhere else? Or do you keep on driving, feeling befuddled about the problem, hoping or assuming that someone else will help?

We all have struggled with this scenario. Working in downtown Modesto, I deal with this dilemma a lot. Sympathy and compassion are good emotions. We need these motivators. However, these emotions

should prompt us to study and learn before we take action, since the last thing we want to do is make a situation worse. After all, right thinking must always precede right action; for without right thinking, it is possible for our helping to hurt.

In your journey to learn about authentic charity, I highly recommend *Bringing in the Sheaves: Turning Poverty into Productivity* by Dr. George Grant. *Bringing in the Sheaves* is an excellent work for many reasons, but for the sake of this brief review, let me list the top three:

1. **It outlines scriptural principles and then hammers out practical applications of those principles.**
2. **Although it focuses mainly on action alternatives, it does address philosophical issues of charity.**
3. **It reasserts the place and importance of families, churches, and private enterprises in the work of compassion.**

In four parts, Grant outlines the crisis, the solution, the strategy, and the tactics of enacting functioning models of biblical charity. Part one walks through the need, even amid plenty, and Grant's aptly named "war on the poor". Part two delves into the "Good

Samaritan faith", as well as the characteristics and principles of biblical charity. Part three lays out a game plan for churches to get involved and equip families. Part four closes with the "how" of biblical charity, including a number of action points.


The goal of biblical charity, Grants says, is change: "Its design is to pull people out of the poverty trap, out of the welfare mire, and change their whole approach to life, family, and work."

Grant reasserts this point by quoting Herbert Schlossberg in *Idols for Destruction*:

"Christians ought not to support any policy toward the poor that does not seek to have them occupy the same high plane of useful existence that all of us are to exemplify. 'Serving the poor' is a euphemism for destroying the poor unless it includes with it the intention of seeing the poor begin to serve others."

You can purchase *Bringing in the Sheaves* online at www.Principlestudies.org/Shop at \$10 per book for paperback or \$12 per book for hardback.

I would be remiss if I didn't add that our stock was nearly depleted earlier this year, until we found and acquired almost 1,000 copies that the author had in storage. This title is out of print, and these are the final new copies in circulation, so make sure to add this valuable book to your library collection.

Oh, and don't forget to pick up a copy for your pastor and church leadership, too. Or better yet, pass on your copy after reading it! Inside awaits the answers to many of today's questions about poverty and charity. 



THE FORGOTTEN INSPIRATION FOR THE U.S. CONSTITUTION

By Dr. Marshall Foster

The administration has promised to help restore our constitutional republic. For this worthy goal to be achieved, **“We the People” should know the major source and inspiration for our Constitution.** This source reveals that in our decentralized republic, most of the responsibility for the preservation of our freedom rests upon the people’s engagement at the local level. The following story gives insight into our one-of-a-kind Constitution.



In 1776, the American patriots had just broken free from the tyrannical pattern of nations throughout history. In the Declaration of Independence they pledged their “firm reliance upon Divine Providence” as they formed their new nation. Eleven years later, fifty-six delegates were sent from the states to Philadelphia to form “a more perfect union.” They went to strengthen the weak Articles of Confederation but instead created a new Constitution. Their hope was that this new Constitution would cement their union **while maintaining their freedom as states.**

After the long hot summer of 1787, the delegates emerged with a proposed Constitution. But to be implemented, the document had to be ratified by three-fourths of the states. But what would cause the diverse and independent states to unite behind this Constitution? They had won their freedom

from England and the tyrant, King George. They didn’t want to create another all-powerful national government.

Their fears of falling back into tyranny were well grounded because when **America began, dictators ruled nearly all the world.** For 5,000 years, people worldwide were born into iron-clad caste systems, condemning them to lifelong bondage, poverty and hopelessness.

Because of these legitimate concerns, a battle ensued regarding the approval of the new Constitution. This battle would divide fellow patriots like Patrick Henry and George Washington. But by the fall of 1788, eight states had voted to approve the Constitution. **It remained for New Hampshire, the ninth state, to cast the deciding vote in the ratification process.**

At this critical point, the New Hampshire legislature chose Dr. Samuel Langdon, former president of Harvard and esteemed clergyman, to address the representatives. **America’s future as a viable nation hung in the balance.** Langdon’s classic, powerful speech helped turn the tide in favor of the new Constitution. He lifted his argument above the rancor of partisan politics.

How did Langdon encourage a skeptical New Hampshire legislature to ratify the proposed Constitution? He reminded them that **the new U.S. Constitution was patterned after the divine constitution of Moses and the decentralized republic of the Ancient Hebrews (1400-1000 B.C.).** He said that this liberating form of accountable and just government is “a pattern to the world in all ages” for any nation desiring freedom and prosperity.

The Israelites were transformed from a band of disorderly families coming out of bondage in

Egypt into self-governing, orderly tribes. Langdon said there was no example in history of a people making “this quick progress of the Israelites, from abject slavery, ignorance, and almost total want of order, to a national establishment perfected in all its parts far beyond all other kingdoms and states!”

Langdon detailed how the Hebrews formed their successful republic. First, before the Hebrew tribes arrived at Mt. Sinai, **Moses instructed them to elect character-filled leaders at the local level.** They were to be competent, godly, honest and hating bribes (see Exodus 18). These local elections **decentralized** power in their new republic.

Second, at Mt. Sinai, God graciously gave His people a few concise but perfect laws that would be applied without partiality and would protect lives, families, private property, personal freedoms, and reputations: The Ten Commandments.

Langdon described the Lord’s compassion: “God did not leave a people wholly unskilled in legislation to make laws for themselves: He took this important matter wholly into His own hands Had the inexperienced multitude been left to themselves to draw up a system of civil and military government, it would have been entirely beyond their abilities to comprehend so complicated a subject; they must have committed innumerable mistakes....” **The Lord created a bottom-up, representative constitutional republic with maximum freedom and no need for an earthly king.** Through the centuries, this plan has liberated hundreds of millions of people from bondage.

Third, Langdon detailed the basic structure of the Hebrew republic. He said, “A **senate** was constructed, as necessary for the future government of the nation, under a **chief commander [executive]**... the people were consulted, the whole **congregation [assembly]** being called together on all important occasions: **the government therefore was a proper republic.**”

“Moreover, to complete the establishment of civil government, courts were to be appointed...and elders most distinguished for wisdom and integrity were to be made **judges.**” These courts were a safeguard to ensure that the laws would be applied

on an equitable basis without class distinction or partiality. Appeals were allowed to a supreme court.

Langdon explained that the proposed U.S. Constitution mirrored the divinely inspired Hebrew Republic and would maximize freedom and limit tyranny. He called upon the New Hampshire legislature to approve the proposed Constitution. With their approval, the new Constitution would become law.



Ultimately, Langdon declared that once this Constitution was ratified, **the people**, through their vigilance and character, would determine the success or failure of their nation. He concluded by saying that “the best constitution, badly managed, will soon fall and be changed into anarchy or tyranny ... **On the people, therefore, of these United States it depends whether wise men, or fools, good or bad men, shall govern them; whether they shall have righteous laws, a faithful administration of government and permanent good order, peace and liberty; or, on the contrary, feel unsupportable burdens, and see all their affairs run to confusion and ruin.**”

Dr. Marshall Foster is the founder of the World History Institute, a nonprofit educational foundation dedicated to teaching the biblical and historical foundations of liberty. Dr. Foster also sits on the Scholars Council at the Institute for Principle Studies. Contact Dr. Foster at:

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