

Church and Community

Vol. III, No. 2, March-April 1963

CONTENTS

- 3 EDITORIAL
- 5 THE PROTESTANT ETHIC AND ECONOMIC
DEVELOPMENT
By Richard P. Poethig
- 16 FAMILY INCOME
- 18 OBSTACLES TO MACAPAGAL'S
SOCIO-ECONOMIC PROGRAM
By Dr. José A. Lansang
- 23 LABOR UNIONS CONTRIBUTE
TO NATIONAL DEVELOPMENT
By B. C. Gonzales
- 27 A PASTOR LEARNS ABOUT TRADE UNIONISM
By Francisco Beltran
- 31 RESOURCES FOR WORSHIP
By Cirilo A. Rigos

Editor: FERN BABCOCK GRANT (MRS. ALEX J.)

Artist: DANI AGUILA

Business Manager: LUDOVICO S. AGULTO

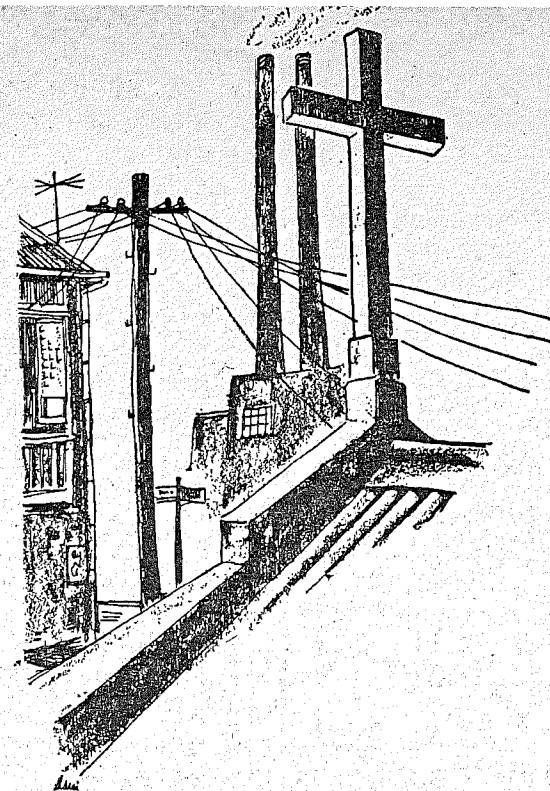
Editorial Board: The staff of the Department of Public Welfare of the United Church of Christ: Alex J. Grant, Acting Secretary; Dick V. Fagan, Rural Life; Richard P. Poethig, Industrial Life; and Fern Babcock Grant.

Advisory Committee: Dani Aguila, Mariano Apilado, Henry B. Aguilan, Patrocinio Apura, Luz Ausejo, Feliciano Carino, A. Caesar Espiritu, Joseph T. Howard, James L. Gill, Ciriaco Ma. Lagunzad, Jr., Mrs. José A. Lansang, Paul T. Lauby, Hester Jason Long, Eliezer D. Mapanao, Ed Pantejo and David Raymundo.

Rates: Annual subscription, local ₱1.50 (foreign, U.S. \$1.00). Copies of individual issues: ₱0.30 for single copies and ₱0.20 each for five or more copies. Checks or money orders should be made payable to the United Church of Christ in the Philippines.

Solicitors: Persons who secure three annual subscriptions at ₱1.50. each will be given a fourth subscription at no additional cost.

Church and Community is published bi-monthly by the Department of Public Welfare, United Church of Christ in the Philippines, 939 Epifanio de los Santos Avenue (Highway 54) Quezon City. Address correspondence to P.O. Box 718, Manila. Telephones: 7-88-74 and 7-94-90.



THE PROTESTANT ETHIC AND ECONOMIC DEVELOPMENT

HAS PROTESTANTISM CONTRIBUTED TO THE INDUSTRIAL DEVELOPMENT OF Western capitalist nations? Economists and sociologists have been debating this question for the last fifty years. The gist of the argument runs that an ethical dynamic within the Reformed Protestant tradition helped to create the climate in which budding capitalists grow. Those who disagree with this idea say that early Protestantism may have had some effect upon the formation of capital in the early days, but that its direct effect did not last through the Industrial Revolution. Thus, the basic thesis still holds that the Protestant ethic did contribute to the development of capitalism, at least in its early beginnings in Europe.

What is important for us to understand is the relationship which reformed Protestantism has had in capital formation in the past, and to

By the Reverend Richard P. Poethig, Director, Industrial Life and Vocations, Department of Public Welfare, United Church of Christ in the Philippines, P. O. Box 718, Manila.

determine what part the Protestant ethic may play today in the socio-economic development of the Philippines. Protestant Christians, as well as Roman Catholic Christians, are concerned with the lifting of the standard of living of the nation. All the citizens of the Philippines have been called upon by successive Presidents to devote their energies to turning the potential riches of the land into a more abundant life for all the people. In this concern for the nation's economic well-being, is there any specific contribution which Protestant Christians can make by drinking from the spiritual springs dug by their religious forbearers? What relationship, if any, might the Protestant ethic still play in the economic growth of the Philippines and of other developing nations?

THESIS OF MAX WEBER

THE FACT of the relationship between Protestantism and capitalism was first developed by a German, Max Weber, in his book *The Protestant Ethic and the Spirit of Capitalism*. In presenting this thesis, he raised the question: "Why were the districts of highest economic development (in the 16th and 17th centuries) at the same time particularly favorable to a revolution in the church?" Weber answers his question by pointing out that the Protestants, especially the Calvinists, developed certain beliefs which were largely responsible for the ensuing industrial development under the newly evolving economic system. The Reformer, John Calvin, laid the foundation for capital formation by his antagonism to the use of money for the pleasures of the world. But Calvin did not believe in a retreat from the world; instead, he called upon Christians to work diligently in the world for the glory of God. Christians were not to work for themselves or for their own pleasure, but they were to work to glorify God and to serve him in the daily round of their activities. This religious dedication to a life of industry, combined with an ascetic conviction against spending money for pleasure, spurred the accumulation of capital. Since the capital was used for further enterprise, the result was an ever-increasing turn-over of money. Thus diligence in labor, asceticism in the use of money, frugality in the spending of money and the investment of capital ultimately led to the development of an industrial economy.

JOHN CALVIN'S EXAMPLE IN GENEVA

GENEVA, SWITZERLAND, led by the example of John Calvin, became a microcosm of the industrial development which came to characterize Reformed Protestantism in other areas of the world. Unlike Martin Luther, John Calvin did not accept the agrarian form of life as the ideal type of economic activity. Instead he saw the possibility of industrial

production, based on a money economy, as the natural foundation of work. When Calvin came into contact with capitalism in Geneva, it was on a small scale. It was on this level that Calvin found capitalism acceptable; it suited the economic conditions of the city and it could be combined with the Christian virtues of thrift, honesty and the consideration for one's neighbor. In his spiritual rule of the city of Geneva, Calvin approved of the profits which were made through trade, since they were the outcome of thrift and industry. He became personally involved in the industrial plans of the community. He worked for a state loan which would aid the manufacture of cloth and velvet in Geneva, and which in turn would provide jobs for the poor and unemployed. When the town of Lyons, France became a competitor to Geneva in the manufacture of cloth, Calvin was flexible enough in his economic program for the city to give up this industry and begin the manufacture of watches in its stead. Since industrial conditions were on such a small scale in Geneva, it was easy for the capitalistic spirit to ally itself with the Calvinistic ethic. In the rapidly changing social order of Europe, where vast economic expansion proceeded under the drive of the capitalist spirit, the Protestant ethic reinforced the enterprise of the Protestant entrepreneurs. Arthur Dakin writes of this relationship:

That some form of capitalism would have come without Calvinism seems a reasonable assumption, but history records that just at the time when capitalism was about to move forward to its strength there was found ready in the world a religious outlook and system of ethics which admirably suited it and naturally furthered it.¹

SPREAD OF THE CALVINIST ETHIC

THE INFLUENCE OF GENEVA, as both a civic theocracy and as a commercial city, moved into other areas of Europe as the Reformation spread. The religious vitality and the commercial enterprise of Calvinism was felt in France where the French Protestants, the Huguenots, became known for both their austerity and their commercial activity. In Scotland, where Calvinism was represented by Presbyterianism, a stern view of morality in interpersonal relations and diligence in work became characteristic of the country.

In his book, *The Reformation Refugees as an Economic Force*, F. Norwood points out that wherever the refugees of the Protestant Diaspora settled, they brought with them a new religion and a new economic organization. The rapid growth of industrial capitalism in the sixteenth cen-

¹ Dakin, Arthur, *Calvinism*, The Westminster Press, Phila. 1946.

tury was directly aided by the energy and zeal which were characteristic of the Reformation refugees. The religious demands placed upon them allowed no lapse from their chief devotion—the worship of the Most High God. The calling of the Calvinist not only assured him of his divine election, but also required his full service to the Lord. Imbued with this religious devotion, the refugees led thrifty, honest, industrious lives. This industriousness, when combined with contempt for worldly ambition and pleasures, was rewarded by the accumulation of wealth. The capital thus accumulated was in turn channelled into the development of other commercial and industrial ventures. A Roman Catholic writer, Hilaire Belloc, assesses the influence of Calvinism:

Wherever you have active Calvinism in the past, wherever you have the air of Calvinism surviving today, there you have mercantile order, mercantile adventure, mercantile foresight and the rest are even more developed on the side of finance than on the side of commerce. It is the story of New England, it is the story of Scotland, it is the story of Geneva, it is the story of the French Huguenots.²

As industrialism grew in Europe and in America, however, the religious undergirding of capitalist activity waned. It was replaced by a practical system of economics which interpreted the drive toward industrialization in purely economic terms. The vocational ethic of John Calvin, which laid upon the individual a responsibility toward God and neighbor, was lost in the radical individualism in which men served themselves in a survival of the fittest. Instead of working to the glory of God, men glorified competition. Out of this "rugged" individualism of industrial capitalism of the 19th century came the brutalization of labor, with child labor and sweatshop conditions. But as Ernst Troeltsch points out: "All this, however, belongs to the history of economics, and not to Calvinism."

QUESTIONS FOR DEVELOPING NATIONS

THE RELATIONSHIP between the Protestant Ethic and the development of industrial capitalism in its early stages raises several questions for Protestant Christians in nations undergoing economic development. Among them are: (1) What role has Protestant Christianity played in producing socio-economic changes in Asia? (2) What has been the long range influence of Protestantism upon the socio-economic affiliation of individuals and families? (3) What specific contributions can Protestant Christians make to the economic development of the country? Let us consider each of these questions:

² Quoted in Dakin, *Calvinism*, p. 203.

SOCIO-ECONOMIC ROLE OF PROTESTANTISM IN ASIA

OUR FIRST QUESTION concerns past performance. What role, if any, has Protestant Christianity played in the socio-economic changes in Asia? In its initial thrust into Asian lands, Protestant Christianity had to relate itself to a wide variety of indigenous religions and cultures. The environment which Protestant Christian missions faced in the Roman Catholic Philippines was quite different from the Hindu-Muslim culture it faced in India and the Shinto-Buddhist culture it found in Japan.

The appeal of Protestantism was to a different group of people in each of these cultures. In Northern India, the appeal of Protestant Christianity was first felt among two widely separated social classes: the high castes and the oppressed peoples. There were dramatic conversions among high caste Hindus and prominent Muslims, but those who accepted baptism among this group were few in number. The great number of converts came from among the oppressed groups in Indian society. The largest proportion of converts in the Delhi area came from one such caste, the Chamars or tanners of leather.

Professor Mikio Sumiya points out that the "common" people of Japan did not respond to the appeal of Protestant Christianity. In his book, *The Formation of Modern Japan and Christianity*, Professor Sumiya maintains that many of the early converts to Christianity thought of this new religion as a possible means of reforming their country.³ Among the groups attracted to Christianity were landowners who sought to overthrow the feudal-tribal structure, which was dominated by the shogunate. Christianity also made inroads among the growing merchant class within the towns and the small cities. In a sense, the Protestant ethic was fulfilling its role as an innovator in the economic life among this latter group of people. The appeal of Protestantism among the small merchants has led one writer to remark that:

Christianity once believed, led the believers, as it inevitably does, to discover the meaning of personality — 'the dignity and sanctity of personality' — which was presented to them as inculcated in the Puritan ethics of early New England, and was translated in Japan in terms of "absolute rejection of idolatry, insistence on monogamy, and absolute prohibition (no drinking and no smoking)."

During the early Meiji period in Japan, Christianity was regarded as the vehicle of modern thought and new ways. It was only after the Japanese discovered that westernization and modernization could be had without Christianity that the new religion lost its initial thrust.

In the Philippines, Protestant Christianity came as a twentieth century Reformation. Protestantism made a varied appeal to the people. The aristocracy, with its roots deeply imbedded in Spanish Catholic values, were hardly touched by this Reformation. It was among the newly mobile lower classes that Protestantism made its early converts. The number of "middle class" Filipinos had been growing during the latter half of the nineteenth century. It was this group, as it came under the influence of liberal European thought, that began to challenge those in authority. When the United States Government took the Philippines from Spain and Protestant missionaries began their work, it was persons from these newly mobile classes who were the first to respond. In the early days in the Philippines, Protestant missions were strongest in the Manila area and in the provincial towns. In the city and in the towns, the Reformation reached out among the small number of professionals, teachers and students, and small merchants. In the rural areas conversions to Protestantism came from among the small farmers.

INFLUENCE ON SOCIO-ECONOMIC AFFILIATIONS

OUR SECOND QUESTION concerns the permanence of the effect of Protestantism: What has been the long range influence of Protestantism upon the socio-economic affiliation of peoples? From what has been said there appears to be no clear cut pattern of the appeal of Protestant Christianity among the different social classes in Asian society. The long range impact of Protestantism upon social class structure did not become evident until these later days. The prominence which Protestant doctrine gave to the individual and to his fulfillment, together with its emphasis upon schools and education have led to a general movement of Protestants into occupations generally associated with the middle class.

The Asian Nations. The United Church of Christ in Japan (KYODAN) has its greatest strength among the student population and the intelligentsia. One source says that ninety per cent of the members of the KYODAN in Japan comes from the middle class. The church in Delhi, India, which began among the depressed Chamar caste, today boasts a membership over two-thirds of which is employed in the traditional "middle class" occupations and services. In their report on *The Church in Delhi* James Alter and Herbert Jai Singh tabulate the occupations of Christians in Delhi as 43 per cent in government service; 21 per cent in domestic service; 13 per cent in education; 11 per cent in medicine; 3 per cent in business; 2 per cent in industrial labor; and 7 per cent in other occupations which include lawyers, church employees and those employed in foreign embassies.

In the Philippines. There has been no authoritative study of the class structure of the churches in the Philippines. However, Earl H. Cressey in his report, *Strengthening the Urban Church*, holds that the strongest churches in membership and in stewardship are those in the town and urban areas. He points out that these churches have a predominantly "middle class" membership. The term "middle class" has been used here to signify those people who either receive an income above the subsistence level of their particular country or are employed in the traditional "middle class" occupations such as clerical work, trade, teaching and other professions.

In the three countries cited, it appears that Protestantism in the town and urban centers has become characterized by a "middle class" status. Since there has been no adequate study of the class structure of Protestantism in the Philippines, analysis can only be based upon personal observation and participation within the church's life. The present writer would be interested in hearing from Philippine and other Asian readers of any studies that have been conducted in this field or of their impressions of the situation from their personal observations. Nevertheless, from what we do know it can be said that Protestants have participated in the upward social mobility of the Asian scene out of proportion to their number in the population of each country.

To speak of the Asian Protestant Church as middle class does not mean that the Protestant ethic has operated in the same way here as it did in the early days of the growth of industrial capitalism. In this time of rapid social change, industrial development comes upon the Asian scene "full-blown." Today in a developing country, a government agency or a group of the country's more substantial citizens apply for a loan or a counterpart fund from a western nation or an international agency. If their plans are reasonable and their potentialities good, the loan is granted and they set up their textile mill, fertilizer plant or cement operation overnight. The industry and frugality which characterized the early industrial capitalists are not necessary factors in much of modern industrial development. Where some of the traits that were a part of the Protestant ethic have existed in developing countries, they have often appeared outside the stream of religious influence; they have occurred as a part of the ethos of the modern industrializing elite. The Jesuit, John Carroll, makes this point in his study of *Filipino Entrepreneurship in Manufacturing*. In a study of ninety-two Filipino entrepreneurs, Father Carroll points out that only two of the modern industrial innovators are Protestants or have died as Protestants. This leads Father Carroll to assert that:

Many of the attitudes associated by Weber with ascetical Protestantism have become disassociated — as Weber recognized — from their origins and are now part of the “modern” culture to which the Filipino entrepreneurs, far more than the average Filipino, have been exposed.

However, Carroll does not preclude the fact that there still may be a relationship between a particular religious belief, i.e. Calvinistic Protestantism, and the development of entrepreneurial qualities. It is to this relationship of religious belief and practice and economic development in the Philippines that we now turn our attention.

PROTESTANTISM AND ECONOMIC DEVELOPMENT

THE THIRD QUESTION concerns the future: “What specific contribution can Protestant Christians make to the economic development of this country? One of the primary attributes which guided the early Calvinists in their attitude toward the world was *discipline*. R.H. Tawney in his book *Religion and the Rise of Capitalism* emphasized the place of discipline in the believer’s life when he wrote:

(The Calvinist) ideal is a society which seeks wealth with the sober gravity of men who are conscious at once of disciplining their own characters by patient labor, and of devoting themselves to a service acceptable to God.”

Discipline was inculcated by the knowledge that the individual was among the elect of God. To prove his election he harnessed his energies and channeled his activity so that his life and the fruit of his labor would give glory to God. One may dispute the Calvinist doctrine of predestination, but its effect on the economic life of the believer was indisputable. In the process of serving his Lord, the Calvinist laid the foundation for industrial growth.

Need for Discipline. The developing nations today seek the discipline which the Calvinist achieved in order to reach their own economic goals. Economists and government planners urge discipline in the people’s habits of consumption in order to save the capital which is necessary for investment in future growth. In moving toward their economic goals, governments often force discipline upon the consumption and spending habits of the people. Some of the methods used are heavy import duties on luxury items, the rationing of goods, and channeling the people’s energies into meeting the nation’s most urgent needs. In China, the People’s Republic is speeding up development by harnessing its people’s energies to develop basic industry and increase agricultural production; and at the same time,

it is cutting down on their consumption. On the other hand in Japan, the people’s consciousness of their destiny as a modern industrial nation has stimulated an inner discipline which has moved that country toward more intense industrialization and a higher standard of living. The same inner discipline has been at the heart of the transformation of Israel from a poor, arid country into an exporter of agricultural products. In Israel, however, discipline has been achieved by the constant awareness of the hostility of the Arabs who surround that country.

While in some nations discipline has been promoted as a national policy, or is a part of the national character, other Asian nations have depended upon developing discipline through the people’s own initiative. This has not proved successful, since among the poorer nations, the ability of a people to forego immediate satisfaction for a future goal is a luxury they cannot afford. Any new found wealth or higher income is expended in enjoying the things of which they have long been deprived. In the Philippines, the post-war years saw vast expenditures for imported luxury goods which did not lift the national economy. Each new administration since the war has called upon the people to help the nation develop its economy by pulling in their belts and saving for Philippine development. In a nation where seventy per cent of the people live on or below the subsistence level, this is an impossibility. The poor of the nation have little expendable income. Even if they build their own homes they have hardly enough for the other necessities.

It is within the middle class that disciplined saving and investing for national development should take place. Often the aristocracy of a nation, who hold most of the traditional wealth, i.e. land, are too bound by traditional values or too conservative in their policies to provide the spirit for a resurgence in the nation’s economic life. Clark Kerr points out in *Industrialism and Industrial Man*, that in most developing nations it is the middle class elite who are the human agents for the new order of industrial change. It is the rising middle class elite who challenge the old aristocracy to leadership in the development of the country. The middle class elite seek high social mobility through individual initiative, while members of the old aristocracy seek to support the traditional structure through their paternalistic control. The middle class elite seek wider educational opportunities and training in the new skills of industrial society, while the old aristocracy lay hold on the traditional values and encourage the “prestige” professions.

The Philippine Middle Class. In Manila, the growth of industries and the new organizations of city life have weakened traditional values and have encouraged wider individual initiative. These help to build a

middle class. Outside of Manila, the middle class has been slow to take shape. While there are great numbers of "middle class" professionals in the provinces, there is still little differentiation in their thought and behaviour patterns from the traditional values associated with the extended family system. If the socio-economic development is to be undergirded and supported, then the present middle class in the Philippines will need to take hold of its task as an initiator of change. It is at this point that we need to see the role of the Protestant ethic in the contemporary Philippines.

The Protestant Heritage. Within the Philippine Protestant heritage there has been a lively concern for the Christian's involvement in the country's destiny. Although Protestant Christians are a small minority in Philippine society, over the years they have participated actively in the political development of the nation. Judge Jorge Bocobo and Senator Camilo Osias stand as witnesses to this political responsibility. When political independence was finally achieved in 1946, the Philippine Republic faced the tremendous task of economic development. The new situation of political sovereignty taught the new duty of the development of economic resources. It is within this need for economic growth that Protestant Christians are called upon to see their particular responsibility. The peculiar heritage of the Protestant ethic which they fall heir to, provides them with the perspective for seeing the task of economic development from within their total responsibility to God. Like their Protestant forefathers, they are called upon to work diligently, and to employ their income wisely to show God's Lordship over the things of this world. They are not to be driven by envy nor are they to fall prey to ostentation in the possession of goods. They are to live within their incomes and to plan not only for their family's welfare but to see the economic needs of their nation as part of the responsibility God has laid upon them. The sound development of the economy in which they participate through saving and investment are part of the fulfilment of the love of the neighbor. Their willingness to set aside savings, to invest capital, or to help develop an industry, helps provide the jobs and create the productive process through which a wider community benefits.

ECONOMIC DEVELOPMENT VERSUS FAMILY CLAIMS

RESPONSIBILITY FOR RELATIVES often weighs heavily upon the new middle class living in the town or city. Urban residents are expected to care for the children of relatives sent to the city to attend school or to find work. In one case, a middle class family had to take in ten boarders in order to help meet the expenses of the ten relatives and

children who were sent to Manila for college or work. But in a growing urban-industrial society these traditional patterns of kinship responsibility create tension. The nuclear family, centered in parents, children and perhaps grandparents, tends to limit its responsibility to providing for its own immediate and future needs. Although responsibility to relatives is not entirely abdicated, lines are being drawn as to what can be expected in terms of help.

The urban middle class person begins to view his world more in terms of his own immediate family. The "social security" which the extended family formerly provided is now looked upon as the responsibility of the government. The middle class family concentrates upon the future education and security of its own immediate members. Thus the middle class person begins to see other possibilities for the use of his excess income. The nephew who needs P500 for school expenses does not have as sure a claim on his uncle's savings as formerly. Nowadays, his uncle would prefer to use the money for savings or insurance or for a mutual fund for his own child's education. The request for a loan by a cousin for a hazy business venture has to compete with investment in a newly organized Philippine industry. How these relative choices are made by the emerging middle class family will determine, in part, the speed of Philippine development.

ECONOMIC DEVELOPMENT

HOW DOES ECONOMIC DEVELOPMENT PROCEED? An enormous task faces the Philippines as it continues on the long journey it has begun of developing its economy so as to provide wider opportunities for all of its citizens. There is no turning back from the task of using the resources of the Philippines for higher levels of livelihood and social development for all. But the economic goals of the nation are not reached by just devising a development plan which mixes the right ingredients of capital, labor, management and machinery. As long as people remain undisciplined in their daily lives and in their labor, the best thought-out plan will remain on paper. Goals become practical when those who make them and those for whom they are made determine to discipline themselves in the task of work and saving, spending and investing within an overall perspective of the responsibility which God has set forth for them in this day. While this attitude toward work and life is not the province of Protestant Christians alone, as a minority with a particular heritage, they have the opportunity to set the pace for economic development. They can draw upon the Protestant ethic in the wise use and development of the nation's resources, within God's design for his creation.