

## **Religion and Economic Growth: A Correlational Analysis**

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### **Abstract**

It is a common knowledge that scholars and indeed Nigerians are in constant search for the panacea to the Nigeria's sluggish economic performance in the midst of vast natural resources. What a paradox! Two main poles exist in response to the question of relationship between religion and economic growth. Max Weber assumes a causal relationship from religion and religious values to economic performance while Karl Marx is a leading figure among those who argue in favour of the reverse. This paper, written from the biblical presuppositions sought to investigate into Nigeria's lethargic economic performance from the perspectives of religion and economic growth. The study adopted a theoretical approach. It revealed that ideally, religion due to its emphasis on morality, hard work, and honesty impacts positively on economic growth while religious abuse with its negative connotations has negative implications on the growth of the economy as Nigerian experience indicated. Thus, the study maintained a positive correlation between religion and economic growth and emphasized the need for true religion for the total wellbeing and particularly the economic growth of any nation.

**Keywords:** Religion, Economic Growth, Prosperity Theology, Biblical Presuppositions

### **Introduction**

Prosperity Gospel (Theology) has become a contemporary phenomenon and the largest Christian movement in Nigeria. It has been projected that by 2050 the number of Christians in Nigeria will more than triple. However, research has shown that despite the fact that there are millions of adherents to the prosperity theology in Nigeria who do their best in applying its tenets by demonstrating faith in giving financially and materially to their church, poverty is ironically on the rise (Otegbeye, 2019). It therefore becomes necessary to survey the relationship between religion and economic growth. Two main poles exist in response to the question of relationship between religion and economic growth. Max Weber assumes a causal relationship from religion and religious values to economic performance while Karl Marx is a leading figure among those who argue in favour of the reverse. The goal of this paper is to reexamine the nexus between religion and economy from the premise of Weber and Marx; using the lens of the biblical faith. The study adopts a theoretical approach in sourcing and analyzing data.

## **Conceptual framework**

This section surveys the meaning of some of the concepts necessary for the understanding of the link between religion and economic growth. These include: Religion, Economic Growth and Prosperity Theology.

### **Religion**

There is a noticeable disagreement on the definition of religion by scholars. This is so because a theory is a product of people's perspective. A psychologist using the lens of psychology would define religion differently from a philosopher. Thus, Van den Heeves maintains that religion is socially constructed. Humans form religion by way of making choices and selections (2001). Religion is the human way of representing reality (Van den Heever 2001). Hence it is quite logical that there will be a multitude of interpretations of what reality looks like. Moreover, Van den Heever (2001) declined seeing religion as something concerned with a specific phenomenon.

Having noted the complexity and multiplicity in the attempt at defining religion, this paper is particularly akin to Clifford Geertz's (1973) definition of religion who states: —A system of symbols which acts to establish powerful, persuasive and long-lasting moods and motivations in men by formulating concepts of a general order of existence. By his choice of the words like powerful, persuasive and long-lasting moods and motivations it implies that religion is not just a passive idea but an active one in human existence. This definition is important to this work because if religion is the active force in humans' formulation of concepts of a general order of existence, then it is impossible to sever a link between religion and economic growth.

### **Economic Growth**

Although, there is no universally accepted definition of Economic Growth yet attempts have been made to clarify the concept of Economic growth. Economic growth is one of the macroeconomic goals that both developed and developing nations should pursue with vigour. The concept beams a searchlight on the desire to improve a country's standard of living. It is the level of goods and services that on the average the individuals purchase or otherwise gain access to. Economic growth is measured as a percentage change in the Gross Domestic Product (GDP) or Gross National Product (GNP). The GDP measures the total amount paid for goods and services that a country produced in a particular year. Economic Growth is the increase (or growth) of a specific measure such as Gross Domestic Product or Per Capita Income. It is sustained increase in the country's per capita income or output accompanied by expansion in its labour force, consumption, capital and volume of trade.

Haller (2012) estimated the concept of economic growth as the process of increasing the sizes of national economies, the macro-economic indications, especially the GDP per capita, in an ascendant but not necessarily linear direction, with positive effects on the economic-social sector. Similarly, Todard and Smith (2011) averred that economic growth is a steady process by which the productive capacity of the economy is increased over time to bring about rising levels of national output and income. The Gross Domestic Product (GDP) is the market value of all officially recognized final goods and services produced within a country in a given period. It measures overall economic activity and signals the direction of economic growth and welfare. It is also a barometer to measure the health of the economy. It is an internationally recognized indicator for measuring the size of an economy in a given period of time. Most governments work hard at growing their economies in order to reduce unemployment, increase output, and improve industrial capacity utilization. United Nations report

(2020) noted that while GDP is the measure most widely used to assess economic prosperity and performance, it reveals nothing about how income is distributed within the economy.

## **Prosperity Gospel**

By prosperity gospel or theology, it has been variously described as a form of Christian teaching that emphasises God's will for the prosperity of all believers, attainable through faith, devotion, tithing, and positive confessions (Otegbeye, 2019; Akiri, 2019; McDowell and Rae (2020). Akiri (2019) traces the origin of the prosperity theology to the New Thought Movement of the 1880s believed to have been popularized by a Baptist minister by name E. William Kenyon (1867-1948). Key emphasis was a strong belief in the power of speech in which speaking in tongues became prominent and further developed into the 'Word of Faith Movement' or the 'Positive Confession', Akiri (2019) alludes. With the passage of time, prosperity theology became a global phenomenon with the likes of Kenneth Hagin and Kenneth Copeland, John Osteen, Joel Osteen, Creflo Dollar among others popularizing it. However, Kenneth Copeland is credited as the prosperity gospel specialist and for propelling the theology to the forefront of Pentecostalism.

Here in Nigeria the likes of Benson Idahosa spearheaded it in the 1970s and it has continued to spread and gain inroads even among the main line churches. Despite its growth and expansion, many think of the prosperity gospel as an aberration to the biblical faith. Hinn states, –It fits in the category of Galatians 1:6-12 where Paul says, something that's another gospel is really not a gospel at all (McDowell, S. and Rae, S. 2020). Temitope observes that the factors that make propagation of prosperity gospel to gain ground in Nigeria include ignorance, poverty and fear (2018:317). Against this backdrop, it is easy to understand why the prosperity gospel has spread, by offering people in hardship a means of controlling their seemingly uncontrollable situations. It promises health and wealth for a believer who abides by its tenets. For those living in poverty, this message of hope can be very powerful and indeed comforting.

## **Max Weber on Religion and Economy**

Max Weber (1864 -1920), a German sociologist has a concept of religion and economics was informed by his studies of interaction between various religious ideas and economics. The climax there of is *The Protestant Ethic and the Spirit of Capitalism* in which he argues that Puritan ethics and worldview influenced the development of capitalism. Weber developed the Protestant-ethic thesis in two journal articles published in 1904-05. The English translation by an American sociologist Talcott Parsons appeared in book form as *The Protestant Ethic and the Spirit of Capitalism* in 1930. In the book, Weber argue that Reformed (i.e., Calvinist) Protestantism was an important force behind the unplanned and uncoordinated emergence of modern capitalism. Weber defines the spirit of capitalism as the ideas and *esprit* that favour the rational pursuit of wealth: "We shall nevertheless provisionally use the expression 'spirit of capitalism' for that attitude which, in the pursuit of a calling, strives systematically for profit for its own sake in the manner exemplified by Benjamin Franklin" (2002:9). By –spirit of capitalism he connotes a set of values, the spirit of hard work and progress (Weber, 2002: 9). In practice, according to Weber, the Protestant –most important criterion [of a calling] is ... profitableness. For if God ... shows one of His elects a chance of profit, he must do it with a purpose... (1930: 162). This providential interpretation of profit-making justified the activities of the business man, and led to the highest ethical appreciation of the sober, middle-class, self-made man (1930: 163).

Such emphasis on a calling was but a small step from a full-fledged capitalistic spirit. In practice,

according to Weber, that small step was taken, for –the most important criterion [of a calling] is ...

profitableness. For if God ... shows one of His elects a chance of profit, he must do it with a purpose... (1930:162). This –providential interpretation of profit-making justified the activities of the business man, and led to –the highest ethical appreciation of the sober, middle-class, self-made man (1930:163). Raines, notes further that a sense of calling and an ascetic ethics applied to laborers as well as to entrepreneurs and businessmen. He illustrates his point with the Nascent capitalism required reliable, honest, and punctual labor (2002:23-24), which in traditional societies had not existed (59-62). That free labor would voluntarily submit to the systematic discipline of work under capitalism required an internalized value system unlike any seen before (63). In Raines assessment, Calvinism provided the value system (178-79).

Daniel Luzer (2017) writing on The Protestant Work Ethics is Reall writes concerning America today that just 53 percent of Americans identify with some sort of Protestant church, and only the Presbyterian, United Church of Christ, and Baptist denominations (which directly influence less than five percent of the American population) can be called churches in the Calvinist tradition. But Calvinists were the religious ancestors of their Puritans, the English Calvinists who helped establish the Massachusetts Bay Colony so that they could have a place to practice their (rather extreme) religion in freedom. Because they were some of the first major settlers of the United States, they had a rather profound influence on the country's economic development. Hence, by Weber's analysis on the Protestant Ethics of Work, Luzer find answers to American capitalism.

### **Karl Marx on Religion and Economy**

Karl Marx (1818-1883) was born to a Jewish lawyer – Heinrich who had converted his family to Christianity partly in order to preserve his job in the Prussian state. Marx himself was baptized in the Evangelical church (Raines: 2002,169).

At the University of Berlin where he studied, Marx was strongly influenced by the philosophy of George Hegel and by a radical group called Young Hegelians, who attempted to apply Hegelian ideas to the movement against organized religion and the Prussian autocracy. He received a doctorate in philosophy in 1841, and had been a great figure in the field of philosophy through his writings. This section however, interested in discussing the criticism on religion and economy from his perspective.

Some thinkers in Marx's time had positive views of religion. For instance, Durkheim sees religion in a very real sense simply the worship of society (Pals:1996, 179). By implication, Durkheim contends that is not possible for a society to exist without some sets of either religious rituals or inclination. On the other hand, Marx refused religion and expressed himself as an atheist. In his acknowledgement of dissertation, he inserts *Prometheus* I do hate all gods. word from ancient Greek legend as motto. Marx states very emphatically that believe in gods is a disappointment symbol to defeat in class struggle and that trust is embarrassing positions which must be ignored, even by the way of constraint. He based his argument on the fact that gods do not confess man's awareness as a highest degree (Pals, 180).

Some of his remarkable quotes on religion include: religion is the sigh of the oppressed creature', 'the illusory happiness of men'. It is the reflex of the world' and best of all it is the opium of the people (Pals, 179, Raines, 169). Thompson cites Marx who states: In religion people make their empirical world into an entity that is only conceived, imagined, that confronts them as something foreign (2018). These words suggest that religion does not only ameliorate the sufferings of life, it also effectively creates false consciousness. According to him, one of the main functions of religion is to prevent people making demands for social change by deadening pain of oppression, as follows:

The promise of an afterlife gives people something to look forwards to it is easier to put up with misery now if you believe you have a life of eternal bliss to look forward to after death. Religion makes a virtue out of suffering – making it appear as if the poor are godlier than the rich. One of the best illustrations of this is the line in the Bible: –it is easier for a camel to pass through the eye of a needle than for a rich man to enter the kingdom of heaven (Matthew 19:24).

Religion can offer hope of supernatural intervention to solve problems on earth: this makes it pointless for humans to try to do anything significant to help improve their current conditions. Religion can justify the social order and people's position within that order, as in the line in the Victorian hymn 'All Things Bright and Beautiful.' Such lines make social inequalities seem as if they are God's will and thus unchangeable.

Thus, Marx sees in religion a more active moral agency, and religion itself for him is less a device for pacifying suffering than a protest against the suffering.

Critical Evaluation of Max Weber and Karl Marx Positions on Religion and Economy from biblical perspectives

Beginning with Max Weber whose thesis is founded on the reformed teachings of predestination which connotes that God in His sovereignty chooses certain individuals to be saved. The arguments range from whether predestination is true, what happens to free will? Are humans just puppets on a string, doing what God ordained in eternity past? Does God predestine some people to go to heaven? If so, does he also predestine others to go to hell? Why bother with evangelism since whoever is going to be saved will be saved eventually? if God predestines some people to hell, how can they be guilty of sin since they are only doing what God predestined them to do? While it should be admitted that predestination is a controversial concept in the Christian doctrine, it is no doubt a biblical idea. Some New Testament passages that expressly carry both the notion and idea includes Romans 8:29 which says that those God foreknew, he **“also predestined to be conformed to the likeness of his Son.”** Paul in Ephesians 1:5 says that God **“predestined us to be adopted as his sons through Jesus Christ.”** He goes on to add in verse 11 that **“in him we were also chosen, having been predestined according to the plan of him who works out everything in conformity with the purpose of his will.”** Moo (2017) reveals that Calvinist theologians think Romans 8:29-30 provide evidence for two characteristic teachings in the view of salvation: that becoming a Christian is ultimately rooted in God's free choice, and that those whom God chooses and then become his people will always be saved in the last day.

However, the passages on predestination do not give a clear description or identity of those who have been predestined. In response therefore, the Reformers take to industry (hard work) in search of proof of having been ordained leading high capitalism in the economy. The Lord Jesus Christ himself while in his earthly ministry taught of industry using the parable of the Talent in which he illustrates how a rich merchant embarking on a far journey gave talents to his servants to trade with. Two of them in the spirit of hard work invested their talents, gained a hundred-fold and received their master's commendation. One being slothful could not invest what was given to him but buried it and received the master's condemnation. Against this background, Calvin stresses that the contemplative life is not better. God is not the vain, indolent, slumbering omnipotence which sophists feign, but vigilant, efficacious, energetic and ever active (1989: 1,174). Calvin insists that God puts us here to work and the nature of the kingdom of Christ is that it every day grows and improves (1989:2, 203). And Calvin is clear that this activity is not restricted to the church or to pious duties, but encompasses the whole of creation having the purpose of establishing the heavenly reign of God upon the earth. Calvin

calls on believers –to work, to perform, to develop, to progress, to change, to choose, to be active, and to overcome until the day of their death or the return of their Lord (1989:2, 208). He writes as one who is eager to apply his theology to the realities of life in a bustling city, Pritchard remarks (2011).

On the position of Karl Marx who based his arguments on some biblical passages anchoring on poverty as a virtue, the promise of the afterlife among others, it becomes necessary to look at the biblical texts within the context of their use as follows:

<sup>21</sup>Jesus looked at him and loved him. –One thing you lack, he said. Go, sell everything you have and give to the poor, and you will have treasure in heaven. Then come and follow me!<sup>22</sup> At this the man's face fell. He went away sad, because he had great wealth.<sup>23</sup>Jesus looked around and said to his disciples, how hard it is for the rich to enter the kingdom of God! (10:21-23 see also Matt. 6:19-21; 13:44-46).

The context of this passage reveals a wealthy young man who asks Jesus about eternal life and was not happy with the answer he gets. His response to Jesus' answer shows that his interest in God is limited by one thing his money. Interestingly, wealth in the Old Testament has been assumed to suggest the favour of God (see the life of Abraham, Isaac, Jacob, David, Solomon, among others). However, Jesus reveals that those whom God blesses often value the gifts more than the Giver. Thus, Jesus using this story illustrates the fact that the way to eternal life was in turning from trust in self-attainments and earthly securities to trust in Jesus. It is worthy of note that Jesus does not mean to say that it is an absolutely easy thing for a man that has no riches to enter the kingdom of God. Poverty has spiritual perils. It is not the amount of a man's possessions, but the view which he entertains regarding them, that determines whether he will, or not, enter the kingdom of God. Nobody is saved by selling everything and giving the money to the poor. Instead, one is saved by trusting the Son of God – Jesus Christ.

The context of the story does not give credence to Marx's assumptions about the Biblical faith. However, it is difficult to dismiss his claims in the face of present reality of Christian religious practices characterized as prosperity gospel. In Nigeria for instance, the marriage of faith and individual prosperity suggests that the problem of poverty and unemployment is to be blamed on individuals' piety and not on the government. Thus, instead of working hard and calling the government to responsibility, believers take to certain principles of piety such as fasting and prayers, tithing, seed offerings among others. They become passive in the nation GDP which measures overall economic activity and signals the direction of economic growth and welfare. Moreover, adherents to the prosperity gospel are meant to believe that they can escape the dysfunction of their societies because no earthly institution can hold back the will of God for them. This scenario simply depicts the words of Marx that religion is the sigh of the oppressed creature and the illusory happiness of men. Temitope adds that this is a great achievement in the confirmation and fulfillment of Karl Marx's axiom that religion is an opium (2018:322). From biblical revelations, prosperity gospel sounds rather strange and constitutes an abuse of Christian teaching.

## **Conclusions**

Thus far, the study sets out to find the nexus between religion and economic growth from the premises of the works of Max Weber and Karl Marx. The study revealed that ideally, religion due to its emphasis on morality, hard work, and honesty as projected in the Bible through the teachings of protestants emphasized by Weber impacts positively on economic growth. On the contrary, Marx's

assumptions on religions especially the Christian religion coincides with what has been described as religious abuse with its negative connotations has negative implications on the growth of the economy. Thus, the study maintained a positive correlation between religion and economic growth and emphasized the need for true religion for the total wellbeing and particularly the economic growth of any nation.

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