

Course correction: A congregation faces the financial crisis

by [Michael L. Lindvall](#) in the [July 28, 2009](#) issue

The events of the last two years have been humbling—even for New Yorkers, a breed not easily humbled. When I first moved to Manhattan, I was often startled when someone offered a complimentary comment about another person, saying that he or she was “really smart.” The pride that went before the particular New York fall was, more than any other human frailty, our peculiar brash pride in putative cleverness, savvy and smarts. Now there is no escaping the embarrassing fact that a lot of very smart people in New York never saw the present economic crisis coming, and that many of those smart people had been participating in the foolish decisions that contributed to it.

The financial crisis has altered the economic landscape of most of the world, but nowhere more sharply than in New York City, with a financial services industry rivaled only by that of London. Thousands of New Yorkers have lost their jobs. Immigrants, including Ecuadoran restaurant workers and aspiring actors from the Houston suburbs, are returning home. Social service agencies that received much of their support from the often exceptional generosity of financial institutions are in budgetary crisis. Many companies once matched employee giving; some offered generous community grants year after year; a few required their best-paid employees to give away a percentage of their annual bonuses.

When members of my congregation reflect on these events, they often remark that they have been “clarifying.” They are suggesting that this experience of economic dislocation, for all its pain, will make clearer to us what matters most in life. They mention faith, family and friendships, and not money, power or professional prestige. I have heard tales of executives refusing bonuses that had been promised to them so that no one in their office would need to be laid off. I have watched as church members quietly passed the hat to assist a member who was facing serious financial problems. I have seen neighbors take in neighbors who were evicted from their apartment after losing a job. One member of my congregation made an

extraordinarily generous pledge to the church to help us through this period. He said, "It's easy to give when times are good; it's more important to give when times are tough." There is truth here, of course. As every pastor knows, any of the many dislocations that life offers up—loss of a loved one, illness, divorce, economic reversal—can refresh one's clarity about the purpose of life and what one most values.

As I listen to ruminations about the economic crisis, it strikes me that many people—in New York and beyond—are tempted to see what is happening through several lenses of perception that offer a blurred image of the truth. One hears, for instance, both private citizens and representatives of the media who view the crisis through the lens of demonization. Demonization in this case is the kind of thinking that identifies a small group of people as the sole cause of a shared problem. When people are demonized, their complex humanity—the mixture of good and bad that it always is—is reduced to a monochromatic evil. Demonization also works to absolve the demonizer from culpability. So Main Street demonizes Wall Street, naming "New York greed" as the sole source of the problem and exculpating the rest of the country.

Much of the nation has taken to demonizing Washington, naming the actions or inactions of the previous or the present administration, Congress, the Securities and Exchange Commission or the Federal Reserve Bank as the single locus of the problem. Within the financial industry, I hear individual executives or corporate leadership teams demonized, as if they had acted as autonomous agents of nefarious mischief when in fact whole boards of directors were not paying close attention as long as the profits poured in, when colleagues dared not ask questions about dubious financial strategies for fear of appearing jealous or unimaginative, when borrowers gladly cashed their loan checks even though it was doubtful that they could ever pay the money back.

The flip side of demonization is victimization, another hazy lens through which some view the crisis. In this mode of perception, humanity is sharply divided between victims and victimizers. Let me be clear: there are many who are suffering innocently because of recent events. A waitress loses her job and falls behind on rent when her downtown restaurant lays off a third of its staff because lunchtime crowds have diminished. A seventh grader loses his scholarship at a Harlem private school because its endowment has shrunk by 40 percent. But while many of those who have lost their homes in the subprime-mortgage crisis portray themselves as

victims, the more complex truth is that some of them dissembled about their incomes on mortgage applications. Some bought homes they could not afford; some planned to flip them on the assumption of ever-increasing home values; some failed to ask questions when a loan deal looked too good to be true.

Whispers of victimization are even heard in more privileged New York neighborhoods. Imagine a young couple, high achievers who moved to New York to take 70-hour-a-week jobs in law or finance. Their salaries were extravagant by back-home standards, but their cramped two-bedroom city apartment cost \$1 million per bedroom. Promised bonuses were eye-popping, but the local public school was dysfunctional so they enrolled their children in costly private schools. Now the husband has been laid off and the wife anticipates no bonus. They cannot make the tuition and mortgage payments. The apartment is worth a fraction of what they paid—if they're ever able to sell it. They think of themselves as victims. While there are victims of this downturn, the realities of suffering and culpability are more nuanced and democratic than the simplifying lens of victimization can perceive.

I think that the lens through which the present crisis can be most accurately seen is the venerable lens of human sinfulness. Nothing else is so brutally and finally accurate. Sin judges the demons and the victimizers, of course, but it judges the demonized and the victims as well. This view is more than the clichéd “there is plenty of blame to go around.” Doubtless there is plenty, but a doctrine of sin as deep as John Calvin's and as wide as Reinhold Niebuhr's is more nuanced and leads us to a truer reading of the crisis.

Calvin saw that human brokenness is no simple matter of doing some things that are wrong while doing others that are altogether right. Rather, even our noblest, wisest and most selfless acts are tinged with the sin that permeates even our virtues. Niebuhr reminded us that sin is not simply a reality within individual persons or a matter of autonomous choices; it is systemic. Sin is built into our finest institutions. It is endemic in our highest culture. It is hidden in our wisest strategic plans and plagues well-intended governments and noble reform movements. Sin confounds complex financial derivatives and the rescue plans designed to clean up their mess. No one, not one, is righteous.

For decades we Americans have been living beyond our national means by borrowing money from the Chinese, who make the toys we love on the cheap, and from the Middle Easterners who are awash in oil money that we send them to feed

our consumption habits. I pray for the success of the stupendously expensive government stimulus packages aimed to ward off greater catastrophe, but they will have to be paid for by our children and grandchildren in the form of higher taxes or future inflation. A comprehensive doctrine of sin disallows any of us from claiming the moral high ground for ourselves, whether we would do so by pointing to others as the demons who brought this on or by occupying the sanctified lot of the victimized.

This spring I labored through Harvard historian Niall Ferguson's *The Ascent of Money*, a book immodestly subtitled *A Financial History of the World*. It traces the development of banking, bond markets, stock markets and real estate markets over the past 500 years. The *New York Times Book Review* called the book "a heartbreaking . . . survey of human evil" Indeed, Ferguson ushers the reader through historical moments of creative innovation, hard work, dumb luck, rapacious greed and stunning corruption. He concludes that capitalism must be the worst way to run an economy—except for all the alternatives.

Although Ferguson doesn't use the word *sin*, he seems to be describing sin when he explains our predicament in general and our predicament in the economic crisis of 2009. "I remain more than ever convinced that . . . financial markets are like the mirror of mankind, revealing every hour of every working day the way we value ourselves, and the resources of the world around us. It is not the fault of the mirror if it reflects our blemishes as clearly as our beauty."

For Christians, sin has a remedy: repentance. That New Testament word we translate as *repent* means not so much "list your moral errors" as "change your direction." As this city picks its self up after the devastating events of the last year and a half, many would agree that we must change course. Most would agree that if a change of course is called for, it is not simply incumbent upon "them," be they Wall Street, the mortgage industry, careless borrowers, Congress or financial regulators. Rather this course change is incumbent upon every one of us, caught as we all are in that skein of sin that this financial crisis has so cruelly and accurately reflected back to us.