you lose" situation, but a relationship in which both parties benefit. Unless both parties value what they receive more than what they give up, the exchange will not take place. The teenager valued the record more than the money required to purchase it, and the producer the money more than the record. In a free exchange disturbed by neither force nor fraud, both parties benefit and increase their sense of personal satisfaction. The "robber baron" or "rip-off" theory of poverty and wealth fails to understand the dynamics of a free exchange economy.

Another popular but mistaken idea today is that the wealth of the Western nations is the cause of the poverty of the Third-World nations. This contention is simply not supported by the facts. Some of the most affluent nations, such as Switzerland and Sweden, never had any colonies at all. Others, such as Germany and Japan, became wealthy only after losing their colonies. Some of the most economically underdeveloped nations—Afghanistan, Tibet, Nepal, Liberia—never were colonies of the West.[12] And in general, the Third-World nations that today are the most economically advanced are precisely those which have had the most extensive contact with the West.

As Professor P. T. Bauer of the London School of Economics has pointed out, "Before colonial rule there was not a single cocoa tree in the Gold Coast (Ghana); when colonial rule ended, cocoa exports, entirely from African-owned and operated farms, totaled hundreds of thousands of tons annually." In the 1890's, Malaya was a sparsely populated land of fishing villages and hamlets. "By the 1930's," notes Bauer, "it had become a country with populous cities, thriving commerce, and an excellent system of roads, primarily thanks to the rubber industry brought there and developed by the British."[13]

The fact of the matter is that the colonial system benefited the colonies as well as the ruling countries. Colonialization brought the introduction of schools, roads, banking, and business know-how without which much of the former colonies' present economic development would have been impossible. Resentful "robber baron" theories applied to the West by Third-World leaders influenced by Marxist ideology distort the historical record and short-circuit the personal initiative needed for upward economic mobility in their societies.

While scripture clearly recognized that poverty may be caused or aggravated by external circumstances such as oppression and injustice, it is equally clear that the Bible teaches that individual character is a crucial factor influencing one's state of poverty or affluence. It is clear that

poverty can be caused by sloth and laziness. "A little sleep, a little slumber, a little folding of the hands to rest, and poverty will come upon you like a vagabond, and want like an armed man" (Proverbs 6:10, 11). "Slothfulness casts into a deep sleep, and an idle person will suffer hunger" (Proverbs 19:15). The sluggard neglects his own fields and vineyards, and suffers impoverishment as a result (Proverbs 24: 30-34).

The scriptures clearly call upon all to assume personal responsibility for their own lives and circumstances, rather than depending on government to provide for their basic needs. Rather than blaming impersonal environmental and structural conditions for one's poverty, the Bible encourages the individual to take personal initiative and actively exert the effort necessary to better one's personal circumstances.

A Personal Problem

In 1966 Professor James S. Coleman stunned the educational world with his massive study, *Equality of Educational Opportunity*, perhaps the second most expensive social research project in U.S. history. The conclusion of Coleman's study was that there was no measurable impact that public schools had had in eliminating or even modifying comparative achievements among students. This was a stunning blow to one of the basic liberal assumptions which had undergirded U.S. social and educational policy during the 1960's, namely, that spending more money on the public schools was an effective means of reducing poverty. This assumption saw the primary roots of poverty in the child's social environment, and the assumption proved to be mistaken. Coleman's results pointed instead to *family values* as the prime factor in educational achievement. It turned out that the character formation provided by a sound family structure, rather than "federal money thrown at a social problem" was the key to motivation and achievement in the public schools—a result that many people have suspected all along.

In 1970 Professor Edward Banfield of Harvard earned the wrath of much of the academic profession with his book *The Unheavenly City*. Banfield argued, contrary to the conventional wisdom, that the primary cause of poverty in the ghetto is not external but internal, and in particular, the self-chosen life-style of the majority of ghetto inhabitants. The problem according to Banfield is "present orientation," a set of values oriented toward "action" and immediate gratification, rather than planning, saving, and extended effort. Such a value orientation can not be changed merely by bigger schools or better job training, but only through a more fundamental moral and spiritual reorientation—a "con-