

# Bishop Atle Sommerfeldt, Diocese of Borg, Church of Norway: LEAVE NO ONE BEHIND – THE NECESSITY OF TAXATION

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## Introduction

When governments of the world in 2015 decided on the 17 Sustainable Development Goals (SDG) to follow up the quite successful Millennium Development Goals, it recognised that “reducing inequalities in income as well as those based on age, sex, disability, race, ethnicity, origin, religion or economic or other status within a country” (SDG 10)<sup>1</sup> are necessary in order to end poverty (SDG 1)<sup>2</sup> and achieve sustained growth (SDG 8)<sup>3</sup>. The SDGs further link the achievements of the goals to the necessity “to build effective and accountable institutions on all levels in order to develop peaceful and inclusive societies for sustainable development” (SDG16)<sup>4</sup>.

Economic growth is necessary to enable people to be liberated from poverty and oppression. Poverty eradication is not only a question of distributing the cake more justly, but also making the cake larger. However, growth often leads to larger inequalities within a society and between countries. This may be acceptable in a transition-period<sup>5</sup>. But there is growing consensus that

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<sup>1</sup> **Goal 10** calls for reducing inequalities in income as well as those based on age, sex, disability, race, ethnicity, origin, religion or economic or other status within a country. The Goal also addresses inequalities among countries, including those related to representation, migration and development assistance.

<sup>2</sup> **Goal 1** calls for an end to poverty in all its manifestations by 2030. It also aims to ensure social protection for the poor and vulnerable, increase access to basic services and support people harmed by climate-related extreme events and other economic, social and environmental shocks and disasters.

- The international poverty line is currently defined at \$1.90 or below per person per day using 2011 United States dollars purchasing power parity (ppp). In the decade beginning in 2002, the proportion of the world’s population living below the poverty line dropped by half, from 26 per cent to 13 per cent. If growth rates during those 10 years prevail for the next 15 years, the global extreme poverty rate will likely fall to 4 per cent by 2030, assuming that growth benefits all income groups of the population equally. However, if the growth rates over the longer period of 20 years prevail, the global poverty rate will likely be around 6 per cent. In other words, eliminating extreme poverty will require a significant change from historical growth rates.

<sup>3</sup> **Goal 8:** Sustained and inclusive economic growth is necessary for achieving sustainable development. The global annual growth rate of real GDP per capita increased by 1.3 per cent in 2014, a significant slowdown compared to 2010 (2.8 per cent growth) and 2000 (3.0 per cent growth). Developing regions grew far faster than developed regions, with average annual growth rates in 2014 of 3.1 per cent and 1.4 per cent, respectively.

<sup>4</sup> **Goal 16** is dedicated to the promotion of peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels.

<sup>5</sup> Agnus Deaton argues well for this. See e.g. *The Great Escape*, Princeton 2013

increased inequality when reaching a certain level, reduces economic growth and is harmful to the trust a society needs to have to achieve sustainable development. The potential for effective Social Protection (SP) as defined by UN Research Council for Social Development<sup>6</sup> will therefore be reduced with increased inequality. The situation today is that global inequality is far beyond acceptable level and that many, if not most nation also have a too wide inequality-gap.

If increased inequality continues to grow and the gap is not reduced, not only the excluded suffer – which is wrong in itself, but also the whole society will suffer. <sup>7</sup> Excessive greed dehumanise persons and create a society of enemies.

In this paper I will give some theological reflection on one specific aspect of reducing inequality in process towards sustainable development and securing social protection, namely the role of taxation. The relevance of tax is mentioned in SDG 16<sup>8</sup>. It is difficult to quantify both the effects of tax-evasion and the income that could potentially be generated from effective taxation. Martin Hearson in Global Policy Forum estimated in January 2010<sup>9</sup> that if developing countries increased tax revenues to 15% of national income, US\$ 198 billion would be available for social protection and development. But then the tax-evasion on the already low revenue, makes the situation even worse:

“But alongside this, reforms at international level are needed to help developing countries crack down on the scourge of tax evasion by multinational companies. It is estimated that this costs them more than the **\$120 billion**<sup>10</sup> they received in aid last year”.

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<sup>6</sup> **Social protection**, as defined by the United Nations Research Institute For Social Development, is concerned with preventing, managing, and overcoming situations that adversely affect people’s well-being.<sup>[1]</sup> Social protection consists of policies and programs designed to reduce poverty and vulnerability by promoting efficient labour markets, diminishing people's exposure to risks, and enhancing their capacity to manage economic and social risks, such as unemployment, exclusion, sickness, disability and old age.<sup>[2]</sup>

<sup>7</sup> E.g.: Joseph Stiglitz: The price of inequality, Penguin 2012. Angus Deaton ibid, OECD report: In it together: Why less inequality benefits all. OECD 2015;

<sup>8</sup> “Corruption, bribery, theft and tax evasion cost some US \$1.26 trillion for developing countries per year; this amount of money could be used to lift those who are living on less than \$1.25 a day above \$1.25 for at least six years”. UN presentation of the SDGs goals.

<sup>9</sup> While the governments of developed countries raise on average 37% of their national income in tax, the figure is much lower in most developing countries: Bangladesh and India, for example, take just 8% and 9% respectively. If all developing countries could increase their tax revenues to just 15% of national income, we calculate **that \$198 billion extra each year** would be available to spend on education, healthcare and other development activities -

<sup>10</sup> This amount is line with the figure from Global Financial Integrity from 2013 130billion US dollar

Tax-evasion by multinational companies equals roughly total ODA in 2015<sup>11</sup>. According to the World Bank, remittances from migrants to developing countries reached 414 million US dollar in 2013<sup>12</sup> and is therefore much more significant than both ODA and tax-evasion. Measures to control and tax financial flows must therefore avoid making remittances more difficult.

This paper is however not about the figures, other than showing that tax is one important instrument to reach the SDGs and secure social protection for all in order that nobody is left behind.

### Theological basis

The world community is presenting the SDGs and the SP as an agenda for the churches' participation in achieving justice for all. The international community has with the paradigms of SDG and SP contemporized two classical theological perspectives on societal development. On the one hand, the SDGs links to the call to promote mercy and love towards a just society for all humans, and SP on the other hand links to the struggle to curb evil and protect people and creation from marginalisation, exclusion and oppression.

These two perspectives are rooted in the narratives of Creation and the first article of faith: "We believe in God the Almighty, the Creator of heaven and earth". On the one hand, humans are created in the image of God and entrusted as God's stewards for the whole creation<sup>13</sup> with a mandate and ability to promote a society fulfilling God's vision for the whole of creation and

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<sup>11</sup> According to DAC ODA was total US \$ 131.6, but 12 of those billion (10.9% was used on refugees in the donor country)

<sup>12</sup> From the World Bank Press Release October 2013: "The estimates reflect recent changes to The World Bank Group's country classifications, with several large remittance recipient countries, such as Russia, Latvia, Lithuania and Uruguay no longer considered developing countries.[1] In addition, the data on remittances also reflects the International Monetary Fund's changes to the definition of remittances that now exclude some capital transfers, affecting numbers for a few large developing countries like Brazil.

*"These latest estimates show the power of remittances. For a country like Tajikistan they constitute half the GDP. For Bangladesh remittances provide vital protection against poverty. In terms of volume, India, with \$71 billion of remittances, tops the global chart. To put this in perspective, this is just short of three times the FDI it received in 2012. Remittances act as a major counter-balance when capital flows weaken as happened in the wake of the US Fed announcing its intention to reign in its liquidity injection program. Also, when a nation's currency weakens, inward remittances rise and, as such, they act as an automatic stabilizer,"* said **Kaushik Basu**, Senior Vice President and Chief Economist of the World Bank.

The top recipients of officially recorded remittances for 2013 are India (with an estimated \$71 billion), China (\$60 billion), the Philippines (\$26 billion), Mexico (\$22 billion), Nigeria (\$21 billion), and Egypt (\$20 billion). Other large recipients include Pakistan, Bangladesh, Vietnam, and Ukraine"

<sup>13</sup> Gen 1,26-28 confirmed in God's covenant with humankind and the whole creation after the Noah-flood. Gen 9,1-17

humankind<sup>14</sup>. On the other hand, the Genesis-story shows humans' capacity and willingness to do harm and evil both to fellow humans and to the creation as a whole<sup>15</sup>.

In their capacity for both good and evil, humans are basically relational. No human exists alone, and humans form communities. In the church, this relational reality is seen as a part of being created in the image of God – the Triune God who is relational in the dynamics of Father, Son and The Holy Spirit. The sacraments of Baptism and Holy Communion as the centre of Christian worship, visualises these relationships between humankind and creation, between God and humanity and between different people in time and space and forms the one, holy, catholic community of the church. There is no humanity without community, there is no Christian without community.

Being part of a community, is therefore not an option, but reflects the essence of being human. One beautiful expression of this in the Abrahamic tradition, is by the Iranian poet Saadi Shirazi, a contemporary of Frans of Assisi (translation by Iraj Bashiri)<sup>16</sup>:

*Of One Essence is the Human Race,  
Thusly has Creation put the Base.  
One Limb impacted is sufficient,  
For all Others to feel the Mace.  
The Unconcern'd with Others' Plight,  
Are but Brutes with Human Face.*

These words underline the necessary link between humans being created to community and their obligation to live for each in that community, marked by the call in the Golden Rule: Love your neighbor as yourself.<sup>17</sup>

Rooted in the creation, we see this positive agenda for humanity, which affirms that all humans are relational and created to an interdependent life in community. As this is applicable to all people of all faiths and ideologies, this leads to reflections on a general ethic for society. The common formulation in both the Abrahamic religions, Greek philosophy (Plato and Aristotle) and e.g. Amartya Sen is **“the common good”**<sup>18</sup>.

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<sup>14</sup>Gods vision: E.g Isaiah 65,17-25

<sup>15</sup> Gen 3-6

<sup>16</sup> This aphorism, Bani Adam, can be read on a poster by a great Iranian carpet in the UN-building. Gen.secr Moon used another translation than the one I used when he quoted it during his visit to Tehran

<sup>17</sup> Stiglitz (ibid): “The real solution to the inequality crisis lies in focusing on community rather than simply self-interest – both community as a means to prosperity and as a goal in its own right...the only way to achieve sustained prosperity is to have shared prosperity” page xxi

<sup>18</sup> Gaudium et Spes, Second Vatican Council para 26:

“ Every day human interdependence grows more tightly drawn and spreads by degrees over the whole world. As a result the common good, that is, the sum of those conditions of social life which allow social groups and their individual members relatively thorough and ready access to their fulfilment, today takes an increasingly universal complexion and consequently involves tights and duties with respect to the whole human race.”

A one-liner definition of “Common Good” in operational language, links to the human rights discourse: “Common good” is all human rights for all people – in an environmentally sustainable way.

Humans created to live in community establish institutions to promote the common good. Family and clans are the basic institutions, but in most societies political governance bodies have been established to secure redistribution between families and clans within a national entity.

The ethics of society is not only about general goals and aims, but also about actors being mandated to promote the vision of “common good” and protect society against the forces that can destroy the common good. This dual purpose of governance reflects the dual reality of humans created in the image of God: to promote mercy and love, and to fight evil and exclusion.

In the Old Testament we can follow the process from clan to statehood, from one-man-leadership in Moses, to judges and then to a king for governance of the whole nation. The need for a king expressed the need for a larger unity than the clan, specifically to defend the people against invading enemies.

Samuel, the judge, warns the people against the dangers of a king, because of the experiences in other peoples and nations. The king, Samuel claims, will tax the people hard in money, land and people only for his own benefit (1. Sam 8,11-17). The classical story of this misuse of power by a king, town-leaders and finance-people is found in 1. King 21 in the story of Nabot's vineyard. The king wanted the vineyard and when Nabot did not want to sell, a conspiracy between the king's wife and the town-leaders who also had the financial power, faked a court case and executed Nabot. The king took the land, but Elijah, the prophet, confronted him and condemned him for killing and stealing. The prophet held the king accountable to the commandment of the Lord given at Sinai (Ex 20). The king was not above the commandments given to all people.

The law the king was obliged to honour, was a set of rules designed to protect the poor and secure that nobody in the community should be permanently marginalised, not even the stranger. The law expected that “if any of your people becomes poor and unable to support themselves, you must help them, just as you are supposed to help foreigners who live among you “(Lev 25,35). Every fiftieth year loans should be forgiven, land be given back to the original owner and slaves be set free (Lev 25,8ff). The community received legislation to regulate

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Professor in political economy Bas de Gaay Fortman defines «Common good»:

«The common good consist of practices, systems and institutions which have a powerful impact on the well-being of society and on which all depend: accessible health care, just legal and political procedures, prosperous economic systems, an unpolluted natural environment and clean air, public security and peace. The common good is a collective and global good to which all members of all societies should have access and from whose enjoyment no one can be excluded” God and the Goods, WCC p 82.

Sen. A: *Identity and violence*, Penguin Books 2006, On ethics and economics, Oxford 1987

society and to give social protection to all. When the people got a king, his mandate was to protect the land from enemies and protect the people from exclusion and marginalisation.

This mandate was rooted both in the people, and in God`s mandate, expressed by the people as a worshipping community in a hymn:

“Please help the king to be honest and fair, just like you, our God. Let him be honest and fair with all your people, especially the poor..... Do this because the king rescues the homeless when they cry out, and helps everyone who is poor and in need. The king has pity on the weak and the helpless and protects those in need. He cares when they hurt, and he saves them from cruel and violent deaths” (Psalm 72, 1-2+12-14).

This understanding of the king of the Israelites was transferred by Jesus and St. Paul to the Roman emperor. Jesus did this in the dialog on tax (Mark 12,13-17) and St. Paul in the admonition to respect the emperors right to rule (Rom 13,1-7).

As we have seen, this endorsement of the ruler cannot be understood as an acceptance of whatever action the king or the state is performing. St. Paul qualifies his endorsement by stating that the emperor is there to protect the people against evil. Jesus underlines that the Emperor has a limit to his authority because the whole creation belongs to God. The emperor is not God, although he has a divine mandate to rule.

The Church became a new kind of people in which baptism in the name of the triune God was the criteria for citizenship, not language nor ethnicity nor social class nor citizenship in a nation-state or an empire. The church developed into a multi-cultural entity present in all nations and all people. The church became a community with a common calling and a perception of society that transcends any human boundaries in society, given in creation and refined in the mission that Jesus sent his followers to fulfil.

When the church was a minority, struggling to survive, the vision of “common good” was mainly formulated as a call and an obligation to the rich and wealthy to support the poor and care for the sick, the stranger and the orphaned, mainly, but not exclusively within the Christian community. This changed when the church became an accepted institution and was mandated by the Christian Emperors during the fourth century to be the main actor for securing social protection for all the people in the Roman empire. The church then revitalised the ethics of the Old Testament and expected the ruler and the business-community to contribute towards the common good and secure social protection for the marginalised.<sup>19</sup>The emperor supported the church as the operator of social security for the people in the form of diaconical institutions for marginalised and excluded people. The preaching expanded to challenge all the wealthy to

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<sup>19</sup> See Ester Reed p 12 in Christian Aid Tax for the Common good where she quote Basil the great: “Just as a wide stream is distributed through the fruitful earth by many channels, so let your riches flow, that by many means they may reach the homes of the poor. Wells, when they are drawn from, flow forth in a purer and more abundant stream. Where they are in disuse they grow foul. And so do riches grow useless, left idle and unused in any place; but moved about, passing from one person to another, they serve the common advantage and bear fruit”



contribute to the securing of all peoples life and health. With roots in the Old Testament legislation<sup>20</sup>, tithe was used from year 500 as an instrument for income for the church and the state, and for redistribution<sup>21</sup>.

### Taxation and theology<sup>22</sup>

The issue of taxation must be seen in this perspective of striving for the *common good* and give social protection for all people in society. Tax is an instrument of the community through the state authority first to finance activities for common good and second to secure redistribution of resources from the wealthy to the vulnerable. The level of taxation, the kind of tax and which form of resources (tax on income, tax on consumption, tax on capital and financial flow) should be taxed, are contextual issues and also ideological issues. From a church-perspective, the level must be decided in order to achieve the two purposes, common good and redistribution.

Rooted in a biblical anthropology, tax must be rooted in legislation, not in decisions by the individual. By making tax an issue of the law, a tax-regime rescues especially the rich and wealthy from escaping the community and from being dehumanised, as Saadi expressed it.

The issue is not whether people and actors *should* pay tax. The issue is whether anyone can be exempted from paying tax. In the tradition of the church, nobody is exempted because everybody is part of the call to be stewards of the Creation. The question of exemption may be relevant when it comes to the most marginalised people, but is certainly irrelevant for those on the top and for financial actors.

To sum up:

- All actors, both as persons and as institutions, are accountable to the broader community for how they contribute to the common good. There is a universal duty on all to contribute through tax to the community. The purpose of business cannot be limited to increase its profit, but is more fundamental to contribute to the common good. Profit is an instrument to achieve that, not a goal.<sup>23</sup>
- Given the inherited ability of all human persons and institutions to do harm and evil – to first and foremost secure one’s own interest, if necessary at the cost of others - the contribution through taxes from persons and different actors has to be enforced through legal framework which is decided by the wider community. There is no historical or contemporary evidence that individual, voluntary contributions to finance the common good is sufficient.
- The body deciding, collecting and distributing tax must be accountable and transparent to the people and to universal standards of the “common good,” which is decided by the international community. In Old Testament terms, this means securing the right of the marginalised and vulnerable.

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<sup>20</sup> 3.Mos 27.30, 5.Mos 14.22

<sup>21</sup> In France, the state enacted tax around year 700, in Norway legalised in 1120, (for bishop, priests, church buildings and the poor), after reformation the king/state took part of the tax and later monopolised it.

<sup>22</sup> Tax for the common good. A study of tax and morality, Christian Aid October 2014 has inspired this part.

<sup>23</sup> See Esther Reed: Tax and International Justice in Christian Aid: Tax for the Common good p 13 , where she quote Milton Friedman’s article from 1970: The social responsibility of business is to increase its profit’.

- In our contemporary understanding of governance, democratic election and civil and political rights of the people drastically improve the legitimacy of the state to decide and collect tax. This demands moral leaders in government (and business) who are not stealing from the community in form of corruption.
- In an age with globalised communication and economy, we need instruments which will secure social protection for all and enhance the global common good. This means all human rights for all people because we are all responsible to the one God, who transcends all contexts and all national boundaries.

### Lutheran tradition made alive, the case of the Nordic countries

The vision of governance protecting and promoting the common good, could sound like a utopian vision, delinked from real life. History has seen many examples of such utopian vision being transformed to totalitarian regimes, from Munzer to the French revolution to Hitler, Lenin, Stalin, Pol Pot and Mao. However, the vision can also be seen as a process, or a pilgrimage towards the fulfilment of the vision.

The Nordic countries (Denmark, Finland, Iceland, Norway, Sweden) are a group of countries where the concept of “common good” has dominated the process of forming the society towards inclusion of all people over the last 200 years. These countries top international indexes for “good societies” as measured in human development<sup>24</sup>, equality (Gini coefficient)<sup>25</sup>, well-being<sup>26</sup> and democracy<sup>27</sup>. They are also on the top when it comes to ODA as percentage of BNI and participation in peace-processes – and they have lived in peace with each other for 200 years<sup>28</sup>.

The Nordic model<sup>29</sup> is defined by the institutional cooperation between **first** active financial governance in a mixed economy (with the state securing stability, international trade with national ownership in key sectors), **secondly** public welfare built on universal accessibility to health, education, social security and subsidised institutions in critical life-phases (children, old) **thirdly** an organised labour-market with strong labour unions and employers organisations with strong civil society organisations in addition.

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<sup>24</sup> UN Human Development Report 2015 has Norway on top, Denmark on place 4, whilst Sweden (14), Iceland (16) and Finland (24) have lost position the last decade, indicating that the Nordic model is under pressure.

<sup>25</sup> The Norwegian National Budget has a figure (2.18) with Gini-coefficient both on total income and adjusted after tax and subsidies/social support. The figure shows that the low Gini-coefficient in the Nordic countries compared with other countries first becomes clear when tax and subsidies are included – proving that tax and subsidies contributes to lower inequality which leads to higher trust and sustainable growth.

<sup>26</sup> Cfr The Well-being Score (The 2016 Sustainable Economic Development Assessment) (job-prospects, quality of housing, feel safe), World Economic Forum): Norway 100, Holland 95, Finland 94.9, Germany 93.6, Austria 92.7, Denmark 91.3, Switzerland 91.1, Iceland 90.4, Belgium 90.0, Sweden 89.6

<sup>27</sup> Democracy Index published by Economist Intelligence Unit 2015

<sup>28</sup> The exception is Finland who through her alliance with Nazi-Germany in the Second World War, became enemy of Norway and Denmark. But it was recognised that this alliance was linked to their defensive war against Soviet Union.

<sup>29</sup> Cfr Døvik/Fløtten/Hippe/Jordfald Den nordiske modellen mot 2030 Fafo rapport 2014:46.



This model has over the decades developed a high level of social capital with many common arenas, and active participation of citizens in civil society organisations from the local to national level and in close interaction with political authorities. The model is marked by high levels of popular trust in the political system, which over time has delivered security, protection and welfare. The key has been the acceptance of a negotiated consensus and loyalty to the results achieved in the negotiations.<sup>30</sup> This development was not without hard struggle. In Norway the ethos of **negotiated settlements** between different actors and interests was expanded in the 1930s from the community-councils to labour relations. It was the suffering of the families of striking workers who made the Labour Party in 1945 to seek a negotiated settlement. The experiences in the Nazi concentration camps of leaders from all walks of life and political views, from 1940 to 1945 and strengthened the trust created a unique communication and sense of community across all societal barriers.

Although the model is under pressure, compared with other western societies the basic elements are still valid.

In the following I will trace parts of the Nordic model back to a few characteristics of the Lutheran Reformation claiming that it may not be a coincidence that the success of the Nordic model is linked to the fact that the Nordic countries have had Lutheran state-churches for almost 500 years.

The Lutheran reformation<sup>31</sup> changed the role of the church in society and the relation between church and state in dramatic ways. Luther delinked social action from merit in salvation. The motivation for giving alms and take care of the marginalised to secure a milder judgment after death, was abandoned. As he formulated already in the theses from October 31, 1517:

“Christians are to be taught (that the pope does not intend) that the buying of indulgences should in any way be compared with works of mercy (42). Christians are to be taught that he who gives to the poor or lends to the needy does a better deed than he who buys indulgences (43)”. For Luther, Living by God`s action of grace alone, implied liberation to actions in society:

“A Christian is not living for himself, but in Christ and his neighbour. The Christian lives in Christ by faith, in his neighbour by love” (On the Christian Freedom).

All baptised Christians were commissioned to act in society and had the duty to care for the neighbour. He modernised for his time the concept from the church fathers, e.g. Chrysostom`s:

“In giving alms to Christ in the person of the poor, we effectively offer a sacrifice on the altar, the body of Christ, that is the poor person”. S 5<sup>32</sup>

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<sup>30</sup> Charles Villa-Vicencio in his book «A theology of Reconstruction» from 1992 formulated a church strategy in the post-apartheid society with a legitimate state, developing from the necessary “Theology of resistance” during apartheid.

<sup>31</sup> See Kjell Nordstokke: Reformasjonen i Diakonien – kall og profesjon

<sup>32</sup> Cfr John D. Jones: St. Chrysostom and the Problem of Wealth p 5

Of special importance for the theme of this reflection, is that he strongly criticized the wealthy in church, business and governance and accused them of stealing when profits were too high and causing suffering. They were under the same call as everyone<sup>33</sup>. They had to live the love of God in their positions through love of the neighbour just as everybody else.

Whilst the traditional practice in the church was that the ministry to the poor was performed by the monasteries and the clergy, Luther gave that responsibility to all baptised members of the church based on the principal of the priesthood of all believers. In the practical implementation the households was obliged to take care of everybody in the household, and the city-councils were given the mandate to distribute the money to the poor outside the household according to registered needs. The money should be collected in the churches.

Of special importance is the Church order for northern Germany by Bugenhagen which served as a model for the ordering of the reformation Church in Denmark (Norway and Iceland were included as Danish colonies). In this ordering of the church, the state through the Christian king (the first among the lay baptised members) became responsible for education and care of the poor.

The Lutheran church in the Nordic countries were organised as state churches. The bishops and the priests had a dual mandate, from the Christian king who represented the lay members in the Church, and from the Ordained leaders who represented the spiritual ministry through Word and sacrament. In practice, these two mandates were not possible to distinguish. This implied that the priest was responsible for the living conditions of the people. They were responsible for education and were central actors in local innovations to improve peoples' life. The introduction of the potato is the best known example.

In this perspective, the Lutheran Reformation laid one of the pillars for the Nordic model by underlining the responsibility of the state to secure the basic needs of all citizens, with taxation as the core source of funding both locally and nationally.

**The first** contribution of the Lutheran Reformation was therefore the **priesthood of all believers** which laid to the state (king – city-councils) being responsible for taxation and redistribution of wealth.

The **second element** in the Lutheran Reformation with significance for the Nordic model, was the emphasis laid on a new understanding of **work and labour**. Luther was asked: What is the sign of a Christian shoemaker? And he answered: To be a good shoemaker. Luther saw all human activity and work as a service to God, because work enables the worker to cater for his or her daily bread and to take care of the neighbour. Christian life in monasteries was not of a higher form of spirituality than productive labour for once daily bread and for the benefit of the neighbour. Ordinary work on the land and in the shops expressed Christian life even better than the liturgical practice. Although social divisions continued, the basic element was laid for the

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<sup>33</sup> Luther: Large Cathecism. Angus Deaton som vil mene at en viss ulikhet er nødvendig og uttrykk for fremgang, anser allikevel excessive rent-seeking as "legalized theft". Word for 2017/ Dagens Næringsliv 29.12.2016

equal value of work giving dignity to the farmer, servants and Labourers and then paved the way for all persons participating in political decision-making.

The **third element** in the Lutheran reformation important for the Nordic model, was the space created for **ordinary people to access the Scripture in their mother tongue**. This allowed ordinary people to interpret the Scripture in relation to their own lives, and inspired them to organize in popular movements to struggle against poverty and oppression. Extensive teaching of all children was introduced through the households and later by government paid teachers. The first to succeed to establish a nation-wide popular movement was a radical lay revival movement started in 1796 by the young farmer, Hans Nielsen Hauge. Persecuted by state officials, the movement met secretly in peoples' home, reading the Bible and tried to interpret the meaning for their lives. Women took part in leadership and it was spiritual competence, not formal education or ordination, that was the criteria for leadership. Hauge called for repentance, but not monastic life in special communities separated from the "world". Rather, he organised projects and activities to secure people their daily bread, marked by his upbringing during hunger years in Norway when he experienced starvation first hand in his own community. The movement became very influential, elected persons to the constitutional assembly in 1814 and then to the parliament.

Increasingly the parliament became a body representing larger and larger parts of the society. This movement was succeeded by the labour movement and trade-unions and together they formed a forceful mobilisation for bottom up change, limiting the freedom of the political and economic elite. Labourers and farmers became political leaders.

The **fourth** element in the Lutheran tradition forming the Nordic societies, is the **realistic anthropology** often regarded as too dark and pessimistic. This anthropology states that all persons and human institutions, being church, business and government, has the capacity of doing evil and must therefore be controlled and criticised when they do not promote the common good and protect the vulnerable against oppression. All humans are both sinner against other people and justified before God by Christ and this will be the reality as long as this world exists. All human institutions are therefore marked by the ability to do evil.

## Conclusion

I hope I have been able to show that Lutheran contributions to the struggle for social protection and sustainable development has proven relevance in the Nordic model as it has been developed.<sup>34</sup> The model shows the benefit of making all actors responsible for the common good, that excessive inequality is not necessary and that negotiated settlements between

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<sup>34</sup> The Nordic model faces several challenges. One specific for Norway is to handle that the state is a major financial actor both in Norway through ownerships in financial institutions, but more significantly as one of the world largest capital-owners and operator in the global shareholder market. This gives the Norwegian government a special responsibility for participating in developing a global tax-regime on financial flows and multinational investments, especially where local legislation is weak and government officials keep steering from the community.

different groups lay the foundation for a government with legitimacy to demand tax-contributions from everyone, progressively and according to ability.

Churches and church-based actors should **firstly** both provide social programmes when needed, and participate in the process of democratisation and holding governments accountable. This gives governments the strength and legitimacy to demand tax-contributions from everybody. Without an accountable government, tax will easily lack legitimacy. But this demands that the churches move into the hard work of negotiated solutions and compromises with governments and their policies, monitoring domestic financial flows, not least when the governments have major deficits. Exactly when that is the case, it is the role of the church to be bridge go-between) between communities and the government.<sup>35</sup>

The **second**, major role of the churches in the process to build sustainable development, is her integrating function. The church is a unique community because she is not a community of people with special interest and agendas, but a community of all kinds of people seeking grace and wisdom for handling life in community. In countries with majority churches and a strong, Christian cultural heritage as in the Nordic countries and in most of Africa from Ethiopia to Cape and the Americas, the churches play a significant role as place for identity and roots in communities undergoing rapid, social change, a description relevant for most communities in the globalised world. Part of this role is to submit the role of tax as a prominent and concrete expression of solidarity for the common good both nationally and internationally.

The **third** role is to bring the interests of the excluded and oppressed to the front of the public discourse and humanise the debate of the need for tax both to secure that nobody is not left behind and the duty of the wealthy to contribute sufficiently to keep the trust in society and understanding that there is no prosperity other than prosperity for all.

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<sup>35</sup> This ethos of negotiated settlement of conflicts and divergent interest gives room for proclamation of visions and ideal as part of the democratic discourse, but less in the decisions-making which creates result on the ground for all people. The churches role in these kind of processes is under debate now when the church is no longer a state-church. The bishops and other bodies in the state-church was functioned as an accepted advisor to the king and to the government.