



# FaithLink

Connecting Faith and Life

## Economic Winners and Losers by Alex Joyner



The recent decision by Amazon to establish major satellite operations in Northern Virginia and New York City will benefit areas that were already thriving. How do these kinds of business decisions reflect major trends in our economy? What are the implications of these trends for the church?

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### Hoverboards and Headquarters

I was promised a hoverboard. The year 2019 is just around the corner, and I still don't have the futuristic skateboard that the 1989 movie *Back to the Future II* said we'd all have by 2015. More importantly, in my rural area, we don't even have the broadband access that was touted in 1991 to be part of the new "Information Superhighway."

From the vantage point of many regions that feel left behind by the 21st-century economy, it seems as if the future keeps being delayed. While major urban centers like Silicon Valley and the Northeast Corridor continue to boom, places like my hometown struggle with population loss, brain drain, and crumbling infrastructure.

Recently Amazon, one of the largest companies in the world, announced plans to build a second headquarters for their booming, online retail business. Two hundred thirty-eight places competed to host the new hub that promised 50,000 new jobs along with the resulting tax revenue and other various economic benefits. On November 13, Amazon made its announcement. In fact, the company had actually decided to build *two* new headquarters. At the end of this arduous process, which would have been a boon to many of the struggling metropolitan areas that applied, the winners of the Amazon sweepstakes were . . . suburban Washington, DC, and New York City. I bet those places already have hoverboards, too!

#### REFLECT:

- What's a futuristic innovation you're looking forward to?
- How did you feel when (and if) you heard about the Amazon announcement?

## Bidding Frenzy for Amazon

Amazon kicked off the bidding wars for its new headquarters by requesting proposals from localities that would be due by October 19, 2017. All kinds of cities responded, from high-tech centers like Boston and San Francisco to more exotic locales like Chihuahua, Mexico, and Anchorage, Alaska.

Amazon's Request for Proposal (RFP) document described its project as "a second corporate headquarters (HQ2)" that, in addition to jobs, would include \$5 billion in capital expenditures. In exchange, the company was looking for a large metropolitan area, proximity to an international airport, major highways, mass transit, a highly educated labor pool, and other incentives, which the company described as "significant factors in the decision-making process."

In response, communities offered all sorts of incentives. According to BuzzFeed, Dallas offered to build a new university and call it "Amazon U." Atlanta promised to build an exclusive lounge for Amazon executives at its main airport. Stonecrest, Georgia (population 54,000), even volunteered to change its name to Amazon, according to *USA Today*.

But mostly the cities offered money. Lots of it. Amazon touted "performance-based direct incentives of \$1.525 billion" from New York in making its announcement. The incentives for the Northern Virginia part of the project amounted to \$573 million. Overall, though, the main thing the two winners had in common is something the Brookings Institution says Amazon was looking for all along—a "deep tech talent pool."

### REFLECT:

- What would you hope to see if a major corporation invested in your community?
- What is appropriate for a community to offer to bring such investment?

## A Growing Divide

There are certainly winners in the Amazon HQ2 decision. "New Yorkers will get tens of thousands of new, good-paying jobs, and Amazon will get

the best talent anywhere in the world," New York City mayor Bill de Blasio said in the Amazon announcement. "We're going to use this opportunity to open up good careers in tech to thousands of people looking for their foothold in the new economy."

But Greg LeRoy of Good Jobs First, a non-profit researching corporate subsidies, questions whether the costs to the community outweigh the benefits, bringing in a number of people at the high end of the housing market and creating new pressures for affordable housing. With other attendant costs, such as those related to infrastructure and transit upgrades, the tax breaks may cause other problems. "We know that the school system is going to be stressed, the taxpayers will have to pay higher property and sales taxes," LeRoy told *Jacobin* magazine.

Meanwhile, many other cities are looking at a growing divide between the haves and the have-nots. In making their announcement about the headquarters in New York and Northern Virginia, Amazon noted, "These are fantastic cities that attract a lot of great talent." This highlights a developing trend that sees cities with excellent universities, skilled workforces, and attractive cultural and transit amenities continuing to lure big corporate investments. In analyzing the situation, *The Washington Post's* Hamza Shaban noted, "If investments by large employers continue to flow unevenly across the country, the lopsided pull of wealthy, densely developed, high-paying cities could exacerbate income inequality and entrench an economic system dominated by a handful of prosperous tech hubs, analysts say."

### REFLECT:

- What challenges does Amazon's investment bring with it?
- What other detrimental impacts could you imagine for investments like this?

## The Worth of Every Person and Place

In the aftermath of the 2016 election, many commentators noted a growing divide in the country.

“The leading explanation for the growing rural-urban political divide was that rural people wanted change because they were suffering economically,” sociologist Robert Wuthnow noted in his 2018 book, *The Left Behind: Decline and Rage in Rural America*. Wuthnow went on to explore the many other reasons for the divide, but he noted figures from the US Census Bureau that revealed that “nonmetropolitan incomes in 2015 rose by only 3 percent, while metropolitan incomes grew by 6 percent.”

That sense of a growing disparity is felt on many levels in struggling areas. Alex Anderson, CEO of a company based in a small Midwestern town that Wuthnow explored, says, “It’s extremely difficult to overcome the prejudice against small towns” in order to attract contracts and business.

Churches feel the sting as well when rural communities grow older and lose young people to job opportunities elsewhere. Wuthnow interviewed Herb and Linda Tobias, Midwestern farmers who are also active in their Baptist church. “It’s been

hard for their small community to attract good preachers,” Wuthnow writes. When crops failed recently, Herb Tobias said, “Everybody at church was angry and upset too. Nobody was getting out of debt and we were thinking we’d have to let the pastor go and maybe shut down the church.”

United Methodist churches have traditionally been one of the most common sights in small towns and neighborhoods across the country. With their wide dispersal, United Methodists have an opportunity to innovate and grow in places where the economy is thriving and to give voice to the frustrations and grief in places that feel left behind. They also have the gift of proclaiming a gospel that signifies the worth of every person and place, from lowly Bethlehem to prosperous Babylon.

*REFLECT:*

- How do the elements of the Christmas story affirm “the worth of every person and place”?
- How can churches speak to the needs of those who feel left behind?

## Core Bible Passages

The town of Bethlehem gets a lot of attention during this Christmas season as the birthplace of Jesus. However, **Micah 5:1-5a** emphasizes Bethlehem’s reputation as an out-of-the-way village, pointing out that it will produce a great leader despite this. **Matthew 2:6** picks up on this prophecy when identifying the city as the birthplace of a savior.

Mary’s song in **Luke 1:46-55**, traditionally called the Magnificat, also highlights God’s propensity to choose people and places that are considered lowly for great things. In contrast to systems that are designed to benefit the wealthy, Mary celebrates a time when the hungry are filled with good things while the rich are sent away empty (**verse 53**).

Unrelated to Christmas (and often unread), **Revelation 18** describes the destruction of Babylon, which in this instance is a stand-in for centers of power and wealth. The merchants are among those mourning the loss of their luxury wares. In **verse 14**, a voice tells them, “The fruit your whole being craved has gone from you. All your glitter and glamour are lost to you.”

The selection of these passages isn’t meant to inspire resentment or enmity, but rather to point out a value structure in Scripture that differs from our “winner-take-all” system in which wealth is concentrated to the detriment of the greater society.

*REFLECT:*

- If God were to offer a message of hope to communities that feel left behind by the new economy, what do you think it would say?
- What do these passages suggest that God’s message is for communities that are benefiting from the new economy?

## An Uncomfortable Speech in Aspen

When Anand Giridharadas rose to speak to a group of elite leaders gathered for the Aspen Institute’s Action Forum in July 2015, he knew he was going to make many of them uncomfortable. “After I have spoken, I will need your forgiveness,” he told them. In the speech that followed, which Giridharadas expanded into a book called *Winners Take All: The Elite Charade of Changing the World*, he challenged the wealthy entrepreneurs and philanthropists in attendance to consider a radical idea—that perhaps their generosity wasn’t enough. Giridharadas looked at the growing inequities in the global economy and determined that “we plainly live in a new Gilded Age, in which extraordinary changes in our economies and technologies have created, as revolutionary times always do, extreme winners and extreme losers.”

Giridharadas wanted the audience, the “extreme winners” in the economy, to consider the idea that doing good with their earnings was less useful than for them to “do less harm.” As corporations and individuals accumulated more wealth, particularly through strategies to avoid taxation, Giridharadas said, others struggled because “that is the money that would be going to schools, to vocational training, to infrastructure building, to social insurance, to financial aid.”

“Enlightened capital didn’t get rid of the slave trade,” Giridharadas said. “Impact investing didn’t abolish child labor and put fire escapes on tenement factories. . . . In each of these cases, the interests of the many had to defeat the interests of the recalcitrant few.”

### REFLECT:

- How does philanthropy help your community? How might it be harmful to a community?
- How can economically advantaged people work for economic justice?

## United Methodist Perspective

“We claim all economic systems to be under the judgment of God no less than other facets of the created order.” So begins the section entitled “The Economic Community” in the Social Principles of The United Methodist Church, found in the denomination’s *Book of Discipline, 2016* (§163). As part of that paragraph, United Methodists affirm that “private and public economic enterprises are responsible for the social costs of doing business . . . and that they should be held accountable for these costs.” Furthermore, it states that “we support measures that would reduce the concentration of wealth in the hands of a few.” The section of the Social Principles dealing with poverty (§163.E) warns that “increasing technology, when accompanied by exploitative economic practices, impoverishes many persons and makes poverty self-perpetuating.” The same paragraph urges that “ways must be found to share more equitably the resources of the world.”

In *The Book of Resolutions of The United Methodist Church, 2012*, a resolution titled “Economic Justice for a New Millennium” (4052) encourages United Methodists to study the ways that the changing economy impacts individuals and communities. Churches are called to “meet the spiritual and psychological needs caused by economic injustice” but struggle to “keep up with the problems” (4052.IV.6). A resolution titled “Greed” (4056) in *The Book of Resolutions, 2016* looks back to John Wesley’s warnings that “excessive wealth, absent of effective stewardship and radical charity, prevents a believer from growing in grace and cultivates sinful actions and attitudes.”

### REFLECT:

- How do these statements guide us in thinking about the implication of the Amazon decision?
- How does your church or faith community address the effects of economic injustice?

## Helpful Links

- Amazon's announcement of its decision regarding the location of its second headquarters includes an assessment of how the decision was made. Read about it here in Amazon's company news:  
<http://tiny.cc/dkev1y>
- The criteria for the bidding cities is part of Amazon's Request for Proposals (in PDF form):  
<http://tiny.cc/zlev1y>
- Derek Thompson of *The Atlantic* wrote a critique of the incentive bidding wars to lure corporations:  
<https://www.theatlantic.com/ideas/archive/2018/11/amazons-hq2-spectacle-should-be-illegal/575539/>

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## Next Week in FaithLink

Connecting Faith and Life

### Good News

by Laura Brekke

Today is Epiphany Sunday, a time when we celebrate the good news of the magi meeting Jesus. As we reflect on this story, what were some good news moments in 2018? What are some events that we can anticipate with hope in 2019?

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## Opening Prayer

God of Bethlehem and Babylon,  
You love the city and the village.  
You know the hopes and fears of all the years.  
In times of change and economic dislocation,  
You remind us of the things of true worth.  
Bless our time this day, in the name of the child, the Savior, Jesus. Amen.

## Leader Helps

- Have several Bibles on hand and a markerboard and markers for writing lists or responses to reflection questions.
  - Open the session with the provided prayer or one of your own.
  - Remind the group that people have different perspectives and to honor these differences by treating one another with respect as you explore this topic together.
  - Read or review highlights of each section of this issue. Use the *REFLECT* questions to stimulate discussion.
  - As an exercise, invite participants to imagine themselves as representatives of your community who have been asked to consider submitting a bid for a major corporation like Amazon. Begin your discussion by asking whether you want to make a bid.
    - » What would be the benefits to your community? What costs would there be?
    - » If you decide to submit a bid, what features of your community would you highlight?
    - » What incentives would you be willing to offer? What things would you ask for from the company in return?
- Finish your proposal by creating a poster that highlights your hopes for your community.
- Close the session with the provided prayer or one of your own.

## Teaching Alternatives

Invite a member of your city or town's planning department to talk with your group about economic development in your community. How does your community encourage development? What kinds of incentives does the municipality offer to companies considering locating in your community? What limits are placed on the kinds of development that is sought?

Following the visit, discuss ways that you could advocate for development that benefits the entire community. What more do you want to know?

## Closing Prayer

As Jesus watched the giving at the temple,  
Warning those who made a great display of great wealth  
And commending a woman who gave a little,  
So you see our struggles to be generous people.  
We long to measure worth as you did, Lord,  
And we pray, with you, for the prosperity of all creation. Amen.