THE TRIGGERING DOMINO TO THE GREAT RECESSION OF 2007-2009: SINFUL NATURE OF HUMANKIND AND ECONOMIC EVENTS

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ABSTRACT

Blame for the Great Recession of 2007-2009 was assigned to the Presidents of the United States, Congress, federal agency heads, bank executives, mortgage brokers, and credit rating agencies. Each group fell prey to one or more universal temptations of man, betraying societal values that are fundamentally Biblical values; therefore acting as a "triggering" domino to this economic event. Real estate appraisers and society in general, two groups not mentioned in popular press, are also addressed. Society should not be surprised at failings in various systems as long as the underlying moral fabric of our society remains unchanged.

INTRODUCTION

Disclaimer: The authors acknowledge the sensitivity of this topic. As we discuss the various entities involved in the latest recession, we are aware of Christ's warning in Matthew 7:5, "You hypocrite, first take the log out of your own eye, and then you will see clearly to take the speck out of your brother's eye." We acknowledge that we are susceptible to all the same temptations as others.

"Who's to blame?" "How could this happen?" "Why didn't we know ahead of time?" All good questions and headline topics from 2007 through 2009. The answer to these questions and the entities identified provide the foundation for this paper. In addition, we will provide evidence that little, if any, attention in the major media was directed to the true cause of the Great Recession of 2007-2009. Succumbing to the sinful nature of humankind was the "triggering" action that began and sustained the downward domino effect of the financial disaster. This implies that each of us share some measure of responsibility for the financial crisis.

Based on the literature, the groups we have observed being blamed for the crisis in secular and academic publications are the Presidents of the United States, past and present, Congress, federal agency heads, bank executives, mortgage brokers, and credit rating agencies. We submit that relaxed regulation and permissive legislation was the first step down the economic spiral. This was closely linked to the eased lending requirements and abundant loan purchases by federal agencies such as Fannie Mae and Freddie Mac. Combine these three situations with low interest rates set by the Federal Reserve and the stage is set for the next set of dominoes. Enter the mortgage brokers and bank executives. Mortgage brokers found Wall Street ready to securitize any of the loans offered. Since mortgage brokers are paid fees to process the loan for the homebuyer and earn a commission from the sale of the completed loan, the pressure to churn out mortgages intensified. Individuals interested in purchasing real estate as an investment, "flipping", were grabbing up properties and pushing up the prices. This attracted more buyers and the cycle continued as builders increased supply and buyers could finance almost anything in increasingly creative ways. Homeowners saw their home as a proverbial ATM machine with equity increasing, ad infinitum, to fund their desire for consumption. Irrational exuberance, a term made famous by Robert J. Shiller (2005), was everywhere.

ENTITIES AND RELATED VALUES

Elected Officials

Presidents and Congress get their fair share of the blame for the financial crisis as seen in books, financial journals, newspapers, and other media. The majority of the literature focuses on the follies of deregulation and inattentiveness. Two journalists from The New York Times, Mark Landler and Sheryl Stolberg (n.d.), direct heat toward George W. Bush, Jr. in their article. However, in the same article, President Bill Clinton was also blamed for starting and encouraging a trend of deregulation. Ezra Klein (2009), a columnist in Economic and Domestic Policy from The Washington Post, shares how avoiding regulation of derivatives was a major error on Clinton's part. Klein says that Clinton is honest on the point about the damage from deregulated derivatives; however, he directs blame on Republicans who would have stopped him from trying to do anything. In addition, The Wall Street Journal's Jon Hilsenrath (2011) highlights President Bush's decision to appoint his advisor, Ben Bernanke, to the Federal Reserve position even though Bernanke had been criticized for supporting inflationary policies.

In addition to newspaper publications, there are several academic journals that place some of the blame on presidents. The academic journal, New Political Economy, featured Eric Helleiner's and Stefano Pagliari's thoughts on the controversial G20 Summit in 2008. Their article critiques the lack of action and regulation taken by the world leaders of the United States, Great Britain, and France on financial instruments. Stressing again the issues in regulation, the law and finance journal, The Investment Lawyer, published Alison Fuller's evaluation of Barack Obama's heavy emphasis on financial reform upon taking office in 2008. The main concern President Obama shared was on the dangers of liquidity and allowing freezing of the auction rate preferred securities market. On the other hand, Factcheck.org puts blame on the Clinton administration, stating that the administration pushed for less stringent credit and down payment requirements for working families.

The legislative branch of the United States government receives an abundance of blame for the crash and crisis. Michael Simkovic (2009) stated that Congress could prevent future financial crises either by restoring the doctrine of secret liens, or by adopting a modernized regulatory regime. David Tarr (2010) blamed Congress for the 2008 crisis because of their lazy supervision, delegating their responsibilities to government-sponsored enterprises (GSEs). In addition to Tarr, Swagel, Rene, and Zingales (2009) claim that deregulation led to lower mortgage standards, thus causing the collapse.

Aside from academic journals, other streams of media threw their fair share of blame on Congress. The website, Factcheck.org, places blame on Congress for supporting mortgage tax deductions that gives consumers incentives to buy more expensive homes. This tax provision also encourages taxpayers to keep their homes highly leveraged. Another website, Investingdaily.com, posted Jon Fink's (2011) article that echoes the academic journalists' analysis of the government sponsored enterprises (GSE) which led to loan mismanagement. However, in addition to GSEs, Finks says that the Community Reinvestment Act (CRA), which required banks to give loans to low- to moderate-income borrowers, increased banks' risks. Charles Calomiris and Peter J. Wallison (n.d.), from The Wall Street Journal, reiterated that Congress made a poor choice in creating GSEs.

Societal Value/Biblical Virtue: Duty

The legislative and the executive branches of government play a vital role in the lives of millions of people. The virtue of duty is something that the American people expect in the men and woman that take the presidential and congressional offices. This expectation is not unspoken; every elected politician must take an "Oath of Office" before he or she starts working in his or her new job. Presidents and Congressmen say in their oath that they will uphold and protect the Constitution.

> *We the People of the United States, in Order to form a more perfect Union establish* ***Justice,*** *insure* ***domestic*** ***Tranquility****, provide for the* ***common Defense****, promote the general* ***Welfare****, and secure the Blessings of* ***Liberty*** *to ourselves and our* ***Posterity****, do ordain and establish this Constitution for the United States of America.*
>
> *- Introduction to The United States Constitution (emphasis added)*

The men and woman who should uphold the Constitution are expected to protect the people who elect them, and that protection includes the supervision of "general welfare" for all people. Therefore, failure to supervise the financial regulations is a breach of duty. Breaking their responsibility lead to a financial crash, leading to skyrocketing unemployment.

Duty is something that the Bible mentions often through verses and stories. Those who break their duty to their people and God have always caused suffering for themselves and many others. 2 Samuel 11-12 talks about King David and his sin with Bathsheba. His adultery resulted in him sending several men to fight to their death. God punished this sin with the death of David's son and David spent seven days weeping instead of leading his people.

2 Peter 1:5 encourages people to "Supplement your faith with virtue, and virtue with knowledge." If the leaders did not delegate their responsibility so poorly, and pursued knowledge and virtue, the financial crash could have been prevented. Another passage to consider is Proverbs 10:9, "Whoever walks in integrity walks securely, but he who makes his ways crooked will be found out." This verse is applicable, showing how the laziness of the government officials was eventually revealed. Their breach of their duty was not only exposed, but it caused severe damage to the American people.

Federal Agency Heads

Among those who share the blame in the nearly apocalyptic financial meltdown are the agencies that should have acted as gatekeepers through the whole ordeal. These include the heads of the Federal Reserve, the Securities and Exchange Commission (SEC), Fannie Mae and Freddie Mac, the government-sponsored but privately owned enterprises, known as Fannie Mae, formally, the Federal National Mortgage Association, and Freddie Mac, formally, the Federal Home Loan Mortgage Corporation. These organizations sought ways to make borrowing money to buy a house more affordable than the existing government-sponsored mortgage programs allowed. They introduced new, more relaxed requirements. Other mortgage lenders followed their lead (Muller, Almy, & Engelschalk, 2010). Farber (2009) discusses the Federal Reserve's lack of diligent supervision and regulation. He notes that Alan Greenspan, the Chairman of the Federal Reserve during the housing bubble, foresaw a housing boom that would eventually slow down. Greenspan did not however anticipate the catastrophic events that would ensue after he left office. Yet, Greenspan brought the federal funds rate to a record low during the last years of his term to encourage consumer spending which served as a catalyst for the housing bubble that gave markets easy access to cheap money. This easy access fueled insatiable hunger for more mortgage backed-up securities to make more money. Securities, some of which, Greenspan himself admits not to have fully understood (Farber, 2009).

It is unreasonable to have expected Greenspan to predict the collapse of the housing market in the colossal manner in which it did. However, Dr. Edward Gramlich, a member of the Federal Reserve's Board of Governors, had repeatedly warned Greenspan that tightening lending standards for bank and non-banks like Countrywide Financial was imperative to avoid a substantial increase in default rates (Farber, 2009). The solution that could have averted the financial crisis, according to Gramlich, would have been to underwrite at a fully indexed rate and verifying income (Farber, 2009). Greenspan, however, was hesitant to implement restrictive lending standards because he believed that the Federal Reserve "did not have enough resources or power to actually enforce them" (Farber, 2009, p. 53). That would have required agencies like the Justice Department to enforce them (Farber, 2009).

Fannie Mae and Freddie Mac both also played key roles in the 2007-2008 Financial Crisis. These two government-sponsored companies are examples of the consequences that come with abandoning safe and conservative modes of conducting business. Since their creation both companies adhered to strict standards for purchasing mortgages and lenders would follow them. "Fannie and Freddie set the standards under which they would purchase a mortgage and most financial institutions then conformed to those standards" (Faber, 2009, p. 63). These two companies were in control. They were the beacons for the mortgage industry. Their rules were the markers by which all others played. Their dominion came to a brief halt in 2003 when both companies came under scrutiny for accounting manipulations in which each overstated or understated its earnings; therefore, each company retreated from the scene (Faber, 2009). Freddie's and Fannie's absence was short-lived. Only a couple of years later, the two companies returned with massive momentum buying up mortgages and leaving behind the conservative approach to doing business that had once kept them nearly risk-free.

Lastly, the Securities and Exchange Commission, SEC, also had a detrimental part in the matter. The agency's main functions are to protect investors and regulate the securities markets. It is not a surprise that their main task at hand was compromised. According to Marvin Pickholz, a former Chief of Enforcement for the SEC, "the SEC was overwhelmed with the sophisticated investments that were being structured and people were signing off on things without asking questions about them" (Siskey & Fournier, 2008, p. 21). Therefore, it was not only the Federal

Reserve who fell short of understanding the investment vehicles they were dealing with, but the SEC as well. “While regulation cannot eliminate fraud it may serve to reduce the likelihood that fraud will occur” (Bloom, 2011, p. 8). This idea ought to echo and reverberate for years to come after witnessing the catastrophe.

Societal Value/Biblical Virtue: Diligence

In perspective of the federal agency heads, two Biblical aspects that should be addressed are diligence and greed. Each individual agency lacked the former and overflowed with the latter. Exodus 15:26 says, “If you diligently listen to the voice of the Lord your God, and do that which is right in his eyes, and give ear to his commandments and keep all his statutes, I will put none of the diseases on you… for I am the Lord, your healer.” James 3:16 states, “For where you have selfish ambition, there you will find disorder and evil practice.” The two harmonize with the message that if the Fed, the SEC, and Fannie Mae & Freddie Mac had carried out their jobs without being blinded by greed, they would not have faced the predicament they did. Sheer greed drove them all to overlook the future consequences of their actions. That is not what the Lord wants from His children. He does not want humanity to store treasures here on earth, but rather in heaven where it matters. This is what the secular view of the world fails to recognize.

Bank Executives

Banks have been a constant source of blame for the meltdown. There were a number of mistakes that, reportedly, could, and should have, been avoided. Robert Weissman and James Donahue, in a 2009 article entitled “Wall Street’s Best Investment,” claimed it was a mistake to bend to banks overwhelming support for the repeal of the 1933 Glass-Steagall Act. This Act did many things, but some of its most important aspects prohibited the practice of securitization by banks and the combination of banks, securities firms, and insurance companies. However, the Glass-Steagall Act was repealed in 1999 with overwhelming support and lobbying funds generously donated by Wall Street.

The article also places heavy blame on Robert Rubin, who, in 1999, had just recently stepped down as the Treasury Secretary and was pushing heavy support for the repeal of the Act. The issue with his support was that he was secretly simultaneously negotiating the terms of his next job as an executive at Citigroup, which would greatly benefit from this repeal, as would his future salary.

The effects of this repeal became much more apparent during and after the housing boom. “[F]or example, Merrill Lynch purchased First Franklin, a domestic subprime lender, reportedly ‘to generate in-house mortgages that it could package into CDOs,’” (Jacobs, 2009, p. 8). Moves like this one eventually forced Merrill Lynch to search for a buyer because of their massive losses sustained on mortgages and securities based on the mortgage market. On September 15, 2008, Bank of America bought Merrill Lynch, making it the largest bank in the nation at that time.

One of the most memorable collapses was the failure of Lehman Brothers Holdings Inc., which filed for bankruptcy nearly a year earlier, making it the largest bankruptcy proceeding in U.S. history. In a Wall Street Journal article from September 12, 2009, Susanne Craig and Ianthe J.

Dugan wrote about Mr. Richard Fuld, the former CEO of Lehman Brothers. They reported Mr. Fuld's attitude towards the crisis as full of anger and frustration since he blamed the federal government for the collapse of Lehman. Prior to Lehman Brothers failing, the federal government had bailed out another investment firm, Bear Stearns, and shortly following Lehman's bankruptcy filing, they bailed out AIG. However, on October 6, 2009, before the House Committee on Oversight and Government Reform, "He was excoriated for blaming the government. 'If you haven't discovered your role,' Florida Republican Rep. John Mica told him, 'you're the villain today,'" (Craig, Dugan, 2009, p. A.1). Although, if Lehman had not filled its books with toxic mortgage assets it planned to simply sell off whether they were bad or not, the failure may not have happened and a bailout would not have been necessary.

Andrew Clark, in an article in the Guardian Newspaper on May 2, 2010, wrote about former Bear Stearns CEO, Jimmy Cayne. Although Mr. Cayne admits the leverage within Bear was too high at 40-1 of equity to risk-weighted assets, he places the most blame on conspiracy and rumor. According to Mr. Cayne, rumors began circulating about Bears' financial standing, and this led to its stock price collapse and eventual failure of the firm. He was, in fact, most frustrated that the federal government has not yet begun an investigation into how the "rumors," which he claims brought down Bear, originated. In conclusion, overconfidence in older business models, lack of oversight and management, and desire for ever-increasing returns drove the bank executives to aide in their own banks' failure and collapse.

Societal Value/Biblical Virtue: Stewardship

One may make the case that a bank executive only has a duty to his shareholders, or to generate long-term shareholder wealth, however, their duty comes in a different form. Bank executives, especially those from the largest banks on Wall Street, are charged with the safekeeping and smart investing of millions of other people's money. This is not a task to be taken lightly. Their main duty should be the stewardship of the assets to which they were entrusted. Luke 14:28-33 discusses the task of building a tower as a metaphor. One must properly assess the risks, challenges, and resources needed to complete the project.

Proper preparation and risk assessment, we believe, are two key themes within this passage. The banks were entrusted with enormous amounts of money. This money was then invested in extremely risky, misunderstood, and minimally researched investments. Stewardship entails the proper and responsible handling of what one has been assigned. With banks having equity to risk weighted assets ratios of 40-1, stewardship was largely absent during this time. Overconfidence in past performance and lack of due diligence began to eat away at the security of the banks' assets and mismanagement by the executives eventually helped to drive the banks into the ground. 1 Timothy 6:17-19 states,

> "Command those who are rich in this present age not to be haughty, nor to trust in uncertain riches but in the living God, who gives us richly all things to enjoy. Let them do good, that they be rich in good works, ready to give, willing to share, storing up for themselves a good foundation for the time to come, that they may lay hold on eternal life." New King James Version

Mortgage Brokers

The primary complaint against mortgage brokers was the increase in mortgages offered to subprime borrowers and use of interest-only or other adjustable rate mortgages (Figart, 2010, Guynn, 2010, Javed, 2010). In addition, loan officers working for the mortgage brokers were not required to have any particular training or licensure (Duda, 2009). It was easy to open a mortgage brokerage company and staff it (Duda, 2009, Faber, 2009). With low interest rates to attract borrowers and a guaranteed ability to re-sell to mortgage securitizers, mortgage companies needed to either make loans or lose business to other brokers (Javed, 2010).

Societal Value/Biblical Virtue: Honor

In the case of the mortgage brokers, society would expect them to conduct themselves with honor. Dictionary.com defines honor as "honesty, fairness, or integrity in one's beliefs and actions." The Bible encourages honor and integrity in all our actions. Examples of the Bible's teaching on honor and integrity include Proverbs 20:7,11; Proverbs 28:18; and Titus 2:7-8. Proverbs 20:7, 11 states "The righteous who walks in his integrity - blessed are his children after him! ... Even a child makes himself known by his acts, by whether his conduct is pure and upright" (New American Standard). Proverbs 28:18 promises, "Whoever walks in integrity will be delivered, but he who is crooked in his ways will suddenly fall." Titus 2:7-8 speaks to maintaining our integrity to point others to Christ. "Show yourself in all respects to be a model of good works, and in your teaching show integrity, dignity, and sound speech that cannot be condemned, so that an opponent may be put to shame, having nothing evil to say about us." Had mortgage brokers made use of sound speech and walked in integrity by offering full disclosure and discouraging subprime loans, this could have reduced the number of defaults and foreclosures that ruined investment portfolios and, more importantly, individual lives.

Credit Rating Agencies

When examining the financial crisis, those held accountable to the meltdown in 2008 include the three largest American credit rating agencies, Moody's Investor Service, commonly known as Moody's, Standard and Poor's Ratings Services, S&P, and finally Fitch Ratings, Ltd, Fitch (Lynch, 2009). Each appears to have been irresponsible in reporting and rating mortgage-backed securities and collateralized debt obligations as less risky than they actually were thus feeding investor eagerness for mortgage-backed securities and other U.S real estate financial products. This created a perpetuating cycle of mortgage originations and mortgage securitizations, which were rated by Moody's and S&P, and then sold to investors.

Moody's and S&P provide information on companies and entities that issue bonds or other forms of securities and analysis of that information. Generally these credit rating agencies issue a single, letter-designated grade, AAA-D, on a linear scale that reflects the credit rating's opinion and the likelihood of full and timely payment (Lynch, 2009).

One of the main concerns regarding the credit rating agencies is potential conflict of interest. Traditionally, the credit rating agencies are paid by entities that they are rating. This has raised many questions on the possibility of rating judgments being altered by the compensatory nature of the relationship. Similarly, the issue of possible conflicts of interest has been raised due to credit rating agencies being involved in the design of products that they were asked to rate (Gavras, 2010).

Moody's and S&P are said to control an approximate 40 percent in the credit rating industry. It is also estimated that as of 2005, both credit rating agencies had credit rating opinions outstanding on approximately $30 trillion worth of securities (Lynch, 2009). As a result, it is speculated that credit rating agencies may succumb to the biases of the entity that is paying for the services of the credit rating agency.

Prior to the enactment of the Credit Rating Agency Reform Act of 2006, the credit rating industry was largely unregulated. Despite, the Act's attempt to bring more regulation is still does not mandate rating agencies to have any due diligence. Credit rating agencies are not obligated by any law or regulation to question the accuracy of the information given for their analysis. This may partially affect the quality of their analysis, furthering the conflict of interest between both parties (Lynch, 2009).

To solve this, several proposals suggest using "firewalls" between credit rating agencies and clients by establishing an intermediate "investor board". Another suggestion is to have the government pay for the services of the credit rating agencies. Yet with this come concerns. One concern is that the government might want to regulate the way ratings are developed because they are paying for them (Persaud, 2008). To some, it is possible that one day the risks of government paying for ratings will eventually be seen as low relative to the risk of the issuer-pays model.

Societal Value/Biblical Virtue: Honesty

In terms of the credit rating agencies, as their role in rating financial instruments, they are called to be honest. In the New International Version Bible, Proverbs 20:10 says that differing weights and differing measures are both detested by God. The process of the rating system used by credit agencies should reflect the true status of the company no matter what. The credit agencies know that their role is to provide truthful and fair ratings. Moody's values include this statement from their website, "We hold ourselves to the highest standards of honesty, transparency, and fairness in our dealings with each other, with customers and with all market participants." This concept of using fair weights and measures easily applies to the credit agencies, not only in their own mission and value statements, but also aligns with Biblical teachings. In addition, the Bible mentions avoiding stealing, lying, and deceiving in Leviticus 19:11, all credit agencies are called to avoid these qualities, as this would affect the markets that use their information to make decisions. Clearly had credit agencies maintain honesty in rating the collateralized debt obligations and mortgage-backed securities, the frenzy for these instruments could have been slowed down and people may have realized how risky these instruments were.

Real Estate Appraisers

Real estate appraisers received little popular press regarding their role in the real estate bubble as part of the financial crisis. Scholarly literature was focused primarily into industry-specific journals. Erroneous appraisal reports were cited as a cause of the housing bust by several authors (Kalette, 2009, Schurman, 2010, Depken and Swidler, 2011). In particular, Depken and Swidler reported that appraisers had been accused of colluding with mortgage brokers to provide inflated appraisals in order to fund loans. Their research revealed that the housing boom in the Las Vegas area from 2000-2006 was driven by an increase in purchases of homes for quick resale, flipping. This increase in demand was a result of the percentage change in price, which also increased the incentive for builders to build more new homes thus inflating the supply of homes. In their policy recommendations, Depken and Swidler suggest local governments restrict new construction until the supply and demand equalize, alert buyers via multiple listing service of legal flipping activity, and improve their record keeping so that foreclosures sales are not considered by appraisers as they search for comparable sales. No mention is made of the personal integrity issues related to inflating appraised values.

Societal Value/Biblical Virtue: Impartiality

Real estate appraisers are expected to be impartial in their assessments of value. If the appraisal comes back lower than the sales price, the buyer must come up with additional cash or not proceed. The appraisers had to act with diligence to avoid colluding with the real estate agents and mortgage brokers. The dilemma is obvious. Had one appraiser not provided the necessary valuation, business would go to another appraiser that would. The pressure to look the other way or emphasize one valuation methods over another to reach the required value was tremendous. James 1:12 encourages us with “Blessed is the man who remains steadfast under trial, for when he has stood the test he will receive the crown of life, which God has promised to those who love Him.” The trial here is persecution for faith in Christ, yet acts that tear down our moral fiber can put us in a place of lowered societal status.

CONCLUSION

A series of decisions and/or actions by various entities interacted to create the Great Recession of 2007-2009. With a sequence of dominoes, it only takes one to begin a fast-moving chain reaction. However, it also only takes one to disrupt that chain. The “triggering domino” of the Great Recession chain was universal temptations that betrayed a number of societal values, which are fundamentally Biblical virtues. Those Biblical virtues could have acted as a “blocking domino” to stop or minimize the disastrous results.

Considering the executive and legislative branches of government, their laissez-faire attitude toward their duty to protect posterity created an unstable foundation for the remaining players. Federal agency heads were overcome by greed and chose not to exercise diligence. In an effort to gain more power, prestige, and monetary gain, they neglected their responsibility to practice care in their oversight.

Mortgage brokers acted without honor or integrity in many situations and bank executives, a.k.a. Wall Street, exhibited poor oversight and a lack of stewardship over the assets to which they were entrusted. In addition, credit rating agencies were not completely honest in their assessment of their understanding of the risk inherent to the securities they were rating. Other entities relied on their ability to determine accurately and completely assess the risk embedded in the securities. Many organizations and individuals who were required to make safe investments were misled by the erroneous credit ratings provided.

Real estate appraisers, a group with little coverage in the press, can also be found at fault. Had this group exercised more diligence in forcing accurate valuations, the number of subprime loans could have been greatly reduced. This could have aided the everyday consumer who was caught up in the frenzy of obtaining more and more.

The temptation to point fingers, assign blame, and demand justice from a select few individuals is a natural, emotional response to disappointment and frustration. However, faced with the same allure of enormous potential gains, both corporately and personally, and overwhelming pressure for success and performance, how can we claim we would have acted any differently? When a culture worships money, success, power, and the icons who achieve it, these become idols crafted by human hands. Psalm 115: 4-8 describes the difference between idols made by human hands and the one true God. The verses state,

> Their idols are silver and gold the work of man's hands.
> They have mouths, but they cannot speak;
> they have eyes, but they cannot see;
> they have ears, but they cannot hear;
> they have noses, but they cannot smell;
> they have hands, but they cannot feel;
> they have feet, but they cannot walk;
> they cannot make a sound with their throat.
> *Those who make them will become like them,*
> *everyone who trust in them.*
> (emphasis added - New American Standard version)

Warren Wiersbe (1996, p. 128) summarizes these verses stating, "People become like the god that they worship, for what we believe determines how we behave". Therefore, rather than try to increase further regulation that will only be subverted, society needs to focus on rewarding those who demonstrate the values and virtues that create a stable and just economic environment. The Great Recession of 2007-2009 is a call for Christian business faculty to continue challenging students to move beyond just legal and ethical behavior to truly moral action. Focusing on the societal value related to the Biblical virtue creates a platform that can be used in any academic situation. It falls to the academy to continue pursuing the development of curricula that embeds these core values and equips management to develop practices and processes that encourage others to act virtuously.

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