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The true meaning of value

Last week, lawmakers in the United States approved a US\$700 billion bailout of Wall Street firms. The crisis that has affected every country around the world had its roots in the US housing sector, with many families taking out mortgages on houses that they could not afford. In brief, tens of thousands of families on low incomes were allowed to borrow large sums of money to purchase a house yet had little ability to repay over the years ahead. The result of these excessive sub-prime loans has been the collapse of many investment banks and financial institutions in the United States. Furthermore, countless families have lost their homes while the value of the property market in general has fallen dramatically. Of course, the housing market is only one part of the problem. Credit has been too easy to obtain and one hears frequently of people who have multiple credit cards yet do not have the means to pay off the debts as they get larger and larger.

We live in a global society, and the operations of banks, investment companies and stock markets are fully entwined. So it came as no surprise when the problems being experienced in the United States quickly spread around the globe. The USA is the world's largest economy and any crisis in the US will have serious ramifications elsewhere. When families in the US slow down in their general spending on goods and services, the rest of the world must sit up and pay attention. Falling demand in the USA means less will be imported into that country. This has a direct impact on manufacturing industries in China, whose exports to the USA are a major reason for the Mainland's rapid growth. A decline in Chinese manufacturing will then impact the countries that provide its industries with raw materials, including Australia and nations throughout Africa, South America and Asia.

Let us be clear, we are currently facing an extremely serious economic crisis. A few days ago it was reported that Iceland is on the verge of bankruptcy; not a company facing bankruptcy but a nation. The combined debt of Iceland's three major banks is greater than the total income of the country. The Icelandic government has secured a loan from the Russian government although time will tell if even this will be enough.

The global economic meltdown is being felt in Hong Kong. Driven by fear and rumours, thousands of customers withdrew their savings from the Bank of East Asia in September. Some customers stated that they would prefer to keep their money at home rather than risk losing it if the bank were to close. In recent weeks we have started to experience a rise in prices in Hong Kong across all commodities, while the price of property has started to fall. Difficult times lie ahead.

In the midst of this turmoil came the news that the CEOs of some of the leading financial institutions who were in trouble had received vast salaries and bonuses even as their firms were collapsing. It was disclosed in the US Congress that one chief executive of an investment bank that had collapsed had been paid US\$480 million (HK\$3,700 million) over the four years he was in charge. This figure is staggering to say the least. To place

this salary into some perspective, it would take one domestic helper in Hong Kong over 13,000 years to match his annual salary. Of course, this is not a one-off example. There are numerous executives in financial institutions across the globe on similar packages.

If anything positive is to emerge from the current global economic crisis it might be a better appreciation of the value of wealth and the distribution of resources. There is no question that the world's banks and financial companies have enjoyed many years of soaring profits and high returns for their shareholders. One might even suggest that this has bordered on greed. The collapse of the global economy is a reminder that there needs to be justice and fairness in the way we do business.

In the book of Isaiah in the Old Testament of the Bible it reads: 'The grass withers and the flowers fall, but the word of our God stands forever' (Isaiah 40:8). It is important as Christians that we understand that God is everlasting and will be with us during the good times and the bad. It is also important that as Christians we acknowledge others as people with value.

Every person has a God-given value. This value is not based on one's wealth, job or status in the community. A person's value comes from the fact that they are a unique creation of our Lord. This is the true meaning of the word value. At this time of economic trouble, where the value of shares, property and other possessions are in decline, and where people are blaming each other for the financial crisis, we need to remember that we must value others as the Lord values us.

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