The Paradox of Choice: With an Application to Free Will Versus Predestination

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1. The Paradox of Choice

The most fundamental proposition in economics is that choices are motivated by maximization — everything is done because it makes us better off. This is a useful idea, but it is also completely non-refutable, and by itself is not very satisfying. For example, if a man walks over to the edge of a tall building and jumps off, the economist says "the benefits of jumping exceeded the costs, therefore he made himself better off". If another man looks over the edge and decides to stay put, the economist replies "the costs of jumping were greater than the benefits, therefore he made himself better off staying put". No matter what the behavior — whether jumping off buildings or going to church — it can always be interpreted as maximizing behavior. Whether it is Mother Teresa giving her Nobel Prize money away, or Edward VIII abdicating his throne, a hypothesis based on greed is easy to construct. Since it is not directly testable, it is an act of faith on the part of economists when they claim this motivation is ubiquitous.

Choices, however, depend on more than motivation. Choices, are *constrained* by various things, some of which are observable, others which are unobservable. The observable constraints include income, prices, institutional constraints like laws, and social constraints like mores and customs. The residual unobservable constraints are summarized as our tastes or preferences.[1] Because tastes are unobservable,

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[1] Silberberg makes this distinction:

economists are required to make assumptions over the nature of preferences in order to generate statements that are potentially testable. The actual assumptions are not important for the purposes of this note, but the result of these constraints and preferences are shown in the standard utility graph in panel (a) of figure 1. Here, to keep matters simple, the only choice to be made is between the amount of apples and oranges a consumer is to have.

The linear budget constraint and a well defined utility function in panel (a) graphically represents a problem famous to everyone who has ever taken an introductory economics class. In the language of Economics 101, we say that the consumer "chooses" bundle 'b' since this bundle maximized his utility subject to the constraint. In other words, the bundle 'b' allowed for a utility level of 10, while any other *possible* bundle provides less utility. For example, bundle 'a' provides only 5 units of utility.

But at a deeper level, did the consumer really choose anything? Upon reflection, we see that given all of the assumptions (maximization, utility, budget constraint) the solution is determined quite mechanically — there literally is no "choice" in the sense of "free choice". Boland puts the dilemma this way:

> No matter what decisions individuals made in the process of reaching an equilibrium, there might be only one set of determined values for the set of exogenous givens. ... Does this mean that the givens are

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> We now come to the fundamental conceptualization of the determinants of choice upon which the neoclassical, or marginalist, paradigm is based. We assert that for a wide range of problems, individual choice can be conceived to be determined by the interaction of two distinct classifications of phenomena: 1) Tastes, or preferences; 2) Opportunities, or constraints.
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> [p. 4, 1990]

> the 'causes' of the determined values and thus that our explanation of prices denies 'freewill'? Unfortunately, it is difficult to see how the answer is not affirmative whenever the givens are considered unalterable by any individual involved.
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> [p.13, 1987]

Although consumer theory is often called the "theory of choice", a better title might be the theory of force or slavery. Given the constraints and preferences, the consumer really had *no choice* but to consume at point 'b' — he is a slave to his preferences and constraints. Given these exogenous preferences, the outcome 'b' is predetermined — despite the possible perception by the consumer that he exercised a choice between apples and oranges.

2. An Application

The paradox of choice is no idle contemplation since it strikes at the very core of how we think about human behavior. Should Hitler be held accountable for WWII atrosities, or, as the politically correct dictionary puts it, "did he just happen to kill six million Jews"? If there is no choice, how can anyone be held accountable for their actions?

The remainder of this note applies the paradox of choice to the foremost theological question of the last 2000 years: does man determine his final resting place by freely choosing between good and evil, or does God, in an act of sovereignty, determine and choose beforehand those who will go to Heaven, and therefore, those who will go to Hell? If God chooses, and as individuals we act out the play set before us, how can we be held responsible for our actions? Did Adam have a free will, and was the nature of his choice any different from ours? Do Christians have a choice between sinning and living righteously that is different from the non-believer?

These theological questions are old, and have involved the likes of Augustine, Luther, Calvin, Erasmus, and Arminius. Despite their great abilities in articulat-

ing their view points, understanding and comparing their writing is often difficult. Likewise, our limited intelligence prevents us from easily grasping systematic truths directly from the Bible.[2] Here I argue that the paradox of choice sheds some light on the debate.

The logical structure of the application is trivial. There are basic economic principles: maximization, substitution, diminishing marginal values, and the like, that are either true or false. For the sake of argument, assume they are true. Likewise there is the Word of God, and for the sake of argument, assume that everything the Bible states is also true. Given two sets of statements that are true, it must be the case that they cannot be inconsistent with one another. Under these assumptions, we can use economic theory to aid the interpretation of Scripture.

2.1. **The Natural Man**

What is the human will but our preferences? Regarding the decision to accept God or reject Him, the Bible tells us what our preferences and observable constraints are. In terms of the budget constraint we are told that salvation is a gift of God, it is free, and therefore we can have all of it or nothing — with nothing coming out of our pocket either way. The alternative, a life of sin, is not free. Sin requires time, effort, and often money. For convenience, define "sin" as a composite good with a composite price "P_s". Furthermore, we are told that the choice is mutually exclusive — you cannot choose both.[3] This leads to the discontinuous budget constraint of panel (b) in Figure 1 — the choice for God is an all-or-nothing one. Depending on the individuals preferences, the choice is either point 'a' (salvation) or anywhere along the vertical axis to point M/P_s, where the individual has as much sin as he can afford.

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[2] Hence the demand for great Biblical scholars. By "Bible" I refer to both the Old and New Testament.

[3] "He who is not with me is against me; and he who does not gather with Me scatters" Mt. 12:30. This is not to say that believers cannot sin, rather it means that *ex ante* a person must choose one type of life or the other.

If this is the constraint, what are a natural man's preferences like? The Bible tells us in the third chapter of Romans that in our natural condition "There is none righteous, not even one ... There is none who seeks for God ... There is none who does good. There is not even one" [Romans 3:10-12]. In the eighth chapter of the same book we read "the mind set on the flesh is hostile toward God; for it does not subject itself to the law of God, for it is not even able to do so." [Romans 8:7]. Hence in our natural state we not only prefer sin, we *only* prefer sin.[4] The pursuit or acceptance of God provides no utility at all for the natural man. These preferences, as drawn in panel (c), are completely horizontal, and a maximizing sinner, in an effort to maximize his level of well being chooses the largest amount of sin that he can afford, point 'b' in panel (c).

Note well, given the constraints and the principle of maximization, there is no "choice", no "freedom of will" to exercise in the layman's sense of the word. The natural man has a certain amount of money (M), faces certain prices (P_s), has a desire to only sin, and the result is outcome 'b'. This provides the economic meaning to the Biblical phrase "slave to sin" (e.g. Romans 6:6). As a natural man, we can choose between different types of sin, but as to the choice for God, we just don't have the taste for it.

2.2. **The Righteous Man**

What would be required in order for a natural man "to choose" God over sin? Quite obviously his preferences must be altered.[5] The Bible says that "No one can come to Me, unless the Father who sent Me draws him" [John 6:44], and that "as

[4] Sin in the sense of "not according to God's purpose". Even "good" works by human standards are considered sin in the eyes of God when they are done out of self-interest. "All our righteous deeds are like a filthy garment." (Isaiah 64:6).

[5] One might argue that this is indeed the case, but that the natural man alters his own preferences. Yet this implies a "preference" for a new set of preferences, and Romans 3:10 claims that no one has this desire. At issue is the terminal set of preferences. Just as the will is the manifestation of preferences and constraints, if a choice of choice sets is possible, we need to ask where this more fundamental set comes from, and presumably it must obey what the Bible tells us of our preferences as well.

many as received Him, to them He gave the right to become children of God ... who were born not of blood, nor of the will of the flesh, nor of the will of man, *but of God*" [John 1: 12-13, emphasis added]. Further we read we are to "work out your salvation with fear and trembling; for it is God who is at work in you, both to will and to work for His good pleasure" [Philippians 2:12-13]. It must be the case, since in our natural state we are slaves to panel (c), that our preferences are converted (born again) to those in panel (d). Again, acting out of greed, the righteous man now chooses God because it maximizes his well being.[6] In the case of the natural man, he never rejects God but "wants" salvation; that is, no one chooses sin but at the same time has a preference for God. Likewise, in the case of the righteous man, he never chooses God "kicking and screaming" because his preferences were for sin. The choice is made voluntarily, and with a physical act of receiving that reflects the new reality of the new preferences.

As in the case of the natural man, given the constraint and new preferences, the meaning to the statement "I now choose God" is seen in a different light, since individuals are always slaves to preferences. Or, as the Bible puts it, "you are slaves of the one whom you obey, either of sin ... or of obedience ... " [Romans 6:16].

2.3. **Accountability**

Given the above argument, it may appear that man is not accountable for his actions. A man only chooses to sin because he wants to, and he wants to be cause he was i) created that way, and ii) God has not altered his preferences. Yet the Bible clearly teaches that everyone will be held accountable for their actions.[7] But

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[6] These preferences suggest that the righteous man, when completely walking by the Spirit, never sins because he has no desire for sin. The Bible supports this as well. For example, "for as long as you practice these things, you will never stumble." [2 Peter 1:10]. Some maay object to the use of the terms "selfish" and "greedy" to describe the motivations of the righteous man. However, here it simply means maximizing utility. It has no negative moral connotation in its economic meaning.

[7] "[O]n the day when, according to my gospel, God will judge the secrets of men through Christ Jesus" Rom 2:16. "For we know Him who said, 'Vengeance is Mine, I will repay.' And again, 'The Lord will judge His people.' It is a terrifying thing to fall into the hands of the living God." Heb. 10: 30-31.

once again, economic ideas are useful in sorting matters.

It is often useful to distinguish between willingness and ability. When I say "I am unable to purchase the Empire State Building", I am correct — I simply don't have the resources to do so. However, when I say "I can't afford a new tennis racquet" what I really mean is that I am unwilling to make the sacrifices in the other areas of my life to purchase the racquet. I can literally afford a new tennis racquet. In panel (a) the consumer is literally *able* to purchase any bundle on or below the constraint. He is unable to purchase above the constraint. He is willing to purchase only point 'b'.

In panel (c) the natural man is willing to consume at point 'b', but he is still able to accept God and move to point 'a'. God is not asking for something that is physically impossible. If he was, man would have a claim that he is not accountable. We see this in Proverbs 6:9: "The mind of man plans his way, But the Lord directs his steps". God directs our step in assigning us our preferences, but the mind of the natural man does this knowing full well he is called to repent and is doing wrong.

Humans are created in the image of God and have a built in sense of wrong and right.[8] Furthermore, God is made evident through creation: "that which is known about God is evident within them [the unrighteous]; for God made it evident to them. For since the creation of the world His invisible attributes, His eternal power and divine nature have been clearly seen, being understood through what has been made, so that they are without excuse" [Romans 1:19-20].

Hence our accountability stems not from our desire to sin, but from the acting out of those desires. When Judas betrays Christ, he was physically able not to . However, he was willing to do it for 30 pieces of silver. In his own mind he made his plan, and was held accountable for it, even though God set his path in playing a part in the salvation plan.

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[8] This does not contradict what was said earlier. Humans may know the difference between right and wrong, but they may not act on this knowledge.

The distinction between ability and willingness is important because it is what separates us from computer programs and other forms of artificial intelligence. A computer algorithm takes the same form as the model of choice above. Some type of function is optimized subject to a set of constraints. For a computer program there is also no choice. It has a task and it accomplishes it. However, for a computer program there is no distinction between what it is able and willing to do — they are the same thing. A computer program set to optimize a function, is no more able to find a sub-optimal solution than we are able to jump to the moon. In this context it is verging on silly to suggest that a program is "willing" to do anything.[9]

2.4. **Sanctification**

As most Christians know, forgiveness, is a long way from perfection. How can a believer have preferences like those of panel (d) and yet stumble and fall? A simple answer is that a Christian faces a new "choice" between rewards in Heaven and goods on earth once he becomes a believer.[10] This is a much more standard economic question — each good has a cost, each generates utility. Choices here are reflected in panel (e) of Figure 1, and are similar to the one made in panel 'a'. The one difference with panel 'a' is that one's rewards in Heaven are not received until the end of life on earth. Rewards on earth can be received immediately. Given that all people are impatient and prefer goods now rather than in the future, the future rewards are discounted. One way to think about this is that the price of heavenly rewards fall over ones lifetime as death approaches. These falling prices induce a change in consumption away from earthly pleasures to more Heavenly ones — a movement from 'a' to 'b'. Other factors can change the relative prices of the two

[9] The question of Adam is an interesting one. The Bible says that "through one man sin entered into the world, and death through sin, and so death spread to all men, because all sinned" Rom. 5:12. But did Adam have "free will"? Unfortunately, the Bible tells us virtually nothing about the preferences or constraints that Adam faced, other than the fact he lacked in nothing. Ironically, economic theory is inapplicable in the Garden of Eden, and so little can be said here from an economic perspective.

[10] If one wants the possibility of loss of Salvation can be added to make the problem more difficult.

goods. For example, the company one keeps also alters the relative costs of the two goods, and so behavior on Saturday night can be much different from that on Sunday morning.[11]

3. Conclusion

And there we have it. God does not violate the free moral agency of man, because there is no freedom of choice. To be free of one set of preferences is simply to be slaves of another. Christ was free of sin, but often spoke of only doing the will of His Father in Heaven. Given our preferences (and where did these come from?) and our selfish nature, we are predestined one way or the other. One might counter that perhaps some are born with or develop on their own preferences in panel (c) while others develop preferences in panel (d). However, this violates what the Bible tells us are the preferences of everybody, namely that "not one seeks after God." This is so, despite the fact that in selecting fruit or deciding one way or the other for God, our actions produce the appearance of choice.

References

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[11] The process of sanctification could be viewed as a change in preferences over time, with the marginal rate of substitution increasing (in absolute terms). However, economists shun arguments based on changing preferences when explanations based on changing constraints are readily available.