

# BIBLICAL ECONOMICS TODAY

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## "GOD WILL TAKE CARE OF ME!"

by Gary North

Several years ago, I gave a series of lectures on Christian economics at Cedarville College, a Baptist school located in Cedarville, Ohio. One of the lectures dealt with the question of preparation for the future. I stressed the likelihood of inflation, food shortages, and social disruption. I called upon the audience to take steps then, while the steps were still inexpensive and possible, to protect themselves. I argued that they should stockpile items that are likely to be in short supply in a crisis, especially food and precious metal coins.

One lady, who was obviously not a student, indicated in the question and answer session that she was absolutely enraged by my talk. "You don't believe in the sovereignty of God," she informed me. "You act as though God won't take care of us in every instance, giving us precisely what we need. You won't admit the truth of the Bible that God will take care of us."

I have heard similar statements from Christians ever since, though not stated so boldly, and not linked to my supposed lack of belief in the sovereignty of God. The lady was a big mouth, and I suspect that when her food runs out, she will be a big mouth at her neighbor's, or try to be. But that's neither here nor there. The idea that no preparation is necessary now, that Christians should not be sacrificing some consumption now in order to provide for themselves in the future, is altogether too common.

What these people really mean is this: You will provide for me. They are saying to the one who stores up food and necessities, "You have a moral obligation to support the poor in times of scarcity, and I may then be poor. You will have a moral obligation to take care of me, since you are God's steward. I will spend my money on nice cars, decent housing in the city, and all the other things that delight my eyes today, and if the crisis comes, I will come to you, and God says you will have to support me." When a crisis hits, they will remember those who spoke to them about making sacrifices in the present for the sake of survival in the future, and they will present themselves at the front door, demanding support.

These people would have challenged Joseph in Egypt, had they been given the opportunity. "Look here, Joseph,

you're cutting into my income. You're having the Pharaoh take 20% of my production and storing it up for your hypothetical crisis. Don't you believe in the sovereignty of God? Don't you know that God will take care of His people? You just don't want to live by faith."

The story of Joseph is significant. The famine which hit the world drew people of many nations to Egypt. They came to buy food. Joseph's brothers were compelled to make the journey into Egypt — arrogant men who had sold their brother into slavery and then lied to their father about him, bringing great grief to the old man. Now they were forced to come to their brother for their lives, though they did not know who he was in the beginning. The whole family finally came to Egypt, and it led directly to their eventual enslavement, when a Pharaoh arose who did not remember Joseph. "God will take care of us," they may have thought as they were sending Joseph into slavery. "God always takes care of His people," they may have thought when they neglected to store up grain in the good years preceding the famine. And God took care of them, too, but at a cost far higher than they thought their descendants would have to pay.

God took care of the remnant in the days of captivity for Judah. Jeremiah was taken care of as he wrote Lamentations. As the Babylonians smashed the dreams of Judah's inhabitants, those who survived the war were taken care of. They lived. However, they went into slavery, and most of those who did never returned. Some of those who did return shed great tears when they saw the post-exilic temple's foundation, for it was pathetic in comparison with the one Solomon had built (Ezra 3:12). God had taken care of them, but not in the life style to which they had become accustomed and believed they deserved.

Those who constantly are singing the "God will take care of me" refrain cling to an image of God which is not unlike that of an insurance claims adjuster. Every possible disaster is supposed to be covered. But most important, the disaster coverage is purchased with the cheapest sort of premiums, such as faithful attendance once a week to a church meeting. Their cosmic insurance policy is non-cancellable, in force twenty-four hours a day, and does not require escalating premiums to cover great increases in risk. Their

theology is "once saved, always saved" — with or without the personal fruits indicating salvation — and their personal planning philosophy is similar: "once insured, always insured." Their policy cannot lapse.

This is a total misunderstanding of the biblical concept of God's care for His people. When Joshua attempted to take the city of Ai the first time, 36 men died. They died for two reasons. First, Achan had sinned, and God had put the nation under a temporary curse (Jos. 7). Second, their deaths lured the men of Ai into a trap in the second military engagement (Jos. 8). What are we to say, that the 36 men were not true believers? That they were not being cared for? That God had temporarily forgotten His promise? That their "insurance policies" had lapsed?

What we have to conclude is this: God does not offer us any guarantee that our earthly lives will in every case be preserved. God does not say that my life is so crucial to His plan that I cannot lose it until I reach my threescore and ten years. What He says is that a man's real needs, namely, his spiritual needs, will never be unfilled (Rom. 8:35-39). Men have forgotten the words of Paul: "For thy sake we are killed all the day long; we are accounted as sheep for the slaughter" (Rom. 8:36). Paul is citing Psalm 44:22. If we are talking about an **eternal life** insurance policy, we have one if, in fact, one has ever really been issued; there is no such thing as a "permanent income" policy.

This leads us back to the original question. Will God always preserve all of His people's earthly circumstances? Obviously not. In fact, the message of the prophets to the godly remnant denied specifically that they would escape the general judgment God would bring on that society. It was not the godly remnant that remained in Judah during the Babylonian captivity; rather, it was the poorest segment of society, those who had nothing, who were allowed to remain (Jer. 39:10). The godly went into captivity with the rest of the nation.

The trite phrase, "God will take care of all my needs," is trite only because the users of the phrase have a trite theology. The concept is correct; the definition of "needs," however, is radically different from what the conventional users of the phrase have in mind. Their idea of needs is warm clothing, nourishing meals, a nice home in the suburbs, 7% mortgage money, and a new car every three years. They think God is going to guarantee them all these things simply because they have made some kind of profession of faith.

The Bible says, "The ants are a people not strong, yet they prepare their meat in summer" (Pr. 30:25). The idea is that they plan, and survive because of their planning. They take care to provide for their needs in advance. They are commended for their wisdom in a very practical book in the Bible, the Proverbs. But this example is not one which is emphasized by fundamentalist and orthodox churches today. The Mormons recognize it, and some of the Seventh-Day Adventists see its importance, but not the average Christian family head. God will not allow his insurance policy to lapse. Don't come to him and talk about personal responsibility before God to store up supplies of needed food, equipment,

and gold. After all, just because Abram was rich in cattle, gold, and silver doesn't mean he should invest likewise (Gen. 13:2). God will take care of him.

Power flows to those who are willing and able to take responsibility. Power flows to those who have taken the proper steps beforehand to deal with the problems that follow. Is there any question which denomination is going to draw new people, should a food crisis hit this country? Is there any doubt which church will be able to point to its program of stored food, church farms, and no government welfare — with the government's worthless checks and worthless money — and say, "We are the true Christians, for we have taken care of our own"? I can tell you one thing, it won't be the Southern Baptists. And I can tell you another thing, it won't be the Presbyterians. The public will not be looking to Nashville or Grand Rapids for leadership; the public will be looking toward Salt Lake City.

If we are to take care of our own church members, we must see to it that those who can afford to store up provisions **now** do so, in order that there will be extra supplies available for charity later on for those who did not see the crisis coming, or who were too poor to do anything about it. We must take care of ourselves if we are to take care of others.

The Mormons have taken the leadership position in the stored food industry. We ought to make good use of their labor in developing the industry. We will pay them a profit for the privilege, but that is the nature of all entrepreneurship. He who sees a future need and meets it will reap profits. I strongly recommend that people contact the following company for information regarding the family food storage program.

Martins Distributing Co.  
P. O. Box 51  
Moraga, CA 94556  
(800) 227-1343 (toll-free, USA)  
(415) 376-7065 (collect, Calif)

A one-year's supply of food for each family member, plus extra food for charitable giving and barter, is strongly advised. The company sells a \$25 sample packet. Assume that it will cost at least \$800 per family member to make the purchase.

If you think your city will be unsafe, and that your food will simply be looted, then the intelligent thing to do is to move, not neglect your food storage program.

God allows the Gulag Archipelago. There are Christians inside its confines. To imagine that God provides for American Christians an insurance policy against all disasters, thereby eliminating the need for economic planning, is the same mistake made by Israel and Judah. The Temple's presence did not protect them from captivity. Our debt-encumbered church buildings will not protect us.

# INFLATION AND THE CHRISTIAN

by Tom Rose

No problem in America has generated more widespread concern than the problem called "inflation." Everyone is touched by this pervasive problem in one way or another.

(1) Harried housewives struggle week after week to stretch their household budgets in the midst of rising prices. Even Christian mothers who prefer staying home to raise their children in the fear and admonition of the Lord often feel forced into the job market to help maintain the family standard of living.

(2) Businessmen find themselves being hit with rising costs for raw materials, supplies, and wages on one side. And on the other they encounter stiff resistance from consumers against needed price increases if their businesses are to remain solvent.

(3) Government officials, especially at the local and state levels, find that rising prices require increased taxes simply to maintain existing levels of governmental services. Officials at the national level find themselves pressured to impose price controls on businessmen, who are wrongly blamed for rising prices. The public cry for government protection is ironic because the national government is actually responsible for the problem of "inflation."

(4) Elderly people who have retired on fixed incomes find their incomes being eroded by rising prices. They turn to government for relief — either for increased "welfare" benefits, or for higher social security payments which haven't been earned. This imposes still higher costs on those who produce goods and services.

(5) Christian institutions find themselves in an especially tight squeeze because they exist only on voluntarily contributed funds. Over the last two decades many private colleges have quietly closed their doors because of the difficulty of competing with tax-supported institutions which can **mandate** operating funds via the power of taxation. And foreign missionaries find they need more dollars each year to maintain their families and work in foreign countries because the American dollar has depreciated vis-a-vis foreign currencies.

From this black picture arises a crucial question: What attitude should Christians take concerning the problem of "inflation"? Is inflation primarily an **economic** problem about which the Bible has nothing to say? Is it primarily a **governmental** problem which is best left to the civil authorities to handle? Or is inflation a **moral** problem at heart and, thus, a problem Christians should take a strong stand on?

If you will note, each time I have referred to the problem of "inflation," I enclosed the word in quotes. My reason is to distinguish between the problem of inflation that people **complain** about (i.e., rising prices) versus the **cause** of rising prices (i.e., increases in the money supply). If we as Christians hope to produce a beneficial salting influence in society (Matt. 5:13), then we must not only base our policy deci-

sions on biblical principles, but we must also **interpret reality correctly**. Even the most well-intentioned Christian can do great harm if he bases his policy decisions on faulty information. Thus, when we come to the problem of "inflation," we must determine exactly what inflation is. An erroneous understanding of what inflation really is has led many people to ignorantly favor policies that are both un-biblical and positively harmful.

The popular definition of inflation as "rising prices" is both inaccurate and misleading. It hides a clear-cut cause-effect pattern and thereby confuses people as to what must be done to cure the problem.

A scientifically accurate definition of inflation is "an injection of new money into the economy" or simply "an increase in the money supply." This definition focuses on the **underlying cause** of rising prices rather than on the **subsequent effect** of inflating the money supply. Thus, it directs people's attention to solving the real problem instead of diverting their attention to surface symptoms. Prices are rising **today** because some agency has been increasing the supply of money in the recent **past**.

Once this cause-effect pattern is recognized, then the door swings open to discovering the cure. Who has control over the money supply? The national government does, through the Federal Reserve System! (Congress spends money they don't have by ordering the Treasury Department to print bonds, and then monetizing the bonds through the banking system with the help of the Federal Reserve Bank. When the newly created "deficit money" is injected into the economy via government spending, people who receive the newly created money use it to bid scarce resources away from others. It is this **competitive bidding process** that causes prices to spiral upward.)

Once this process is understood, it immediately becomes clear that the problem of rising prices cannot possibly be caused by "grasping businessmen" or even "militant labor unions," but that **persistently rising prices are caused by the government money-creators themselves!** Then, *Eureka!* the only possible solution becomes too clearly evident to escape. **The problem of rising prices can be cured only by eliminating the cause of spiralling prices, that is, by eliminating government deficits that are monetized via the Federal Reserve System.**

Our national politicians and bureaucrats aren't stupid. They certainly recognize this cause-effect pattern between inflation of the money supply and rising prices. But, since they are reluctant to relinquish the heady power that accrues to them as spenders of money, they purposely try to mislead the public by pointing the finger of blame at "avaricious businessmen" and "greedy labor unions." Thus, we hear of a fictitious "wage-price spiral" which supposedly feeds on itself and requires government controls as a remedy — when the **real** problem is simply too much government spending.

Realizing these things, what attitude should Christians take in solving the problem of inflation?

Since no amount of godliness can make up for erroneous thinking, it is incumbent on Christians to excise the problem at the root. Since our national government has proven by half a century of performance that it is incapable of disciplining itself to live within its income, then it must be disciplined by those who created it. We must remove the national government's deficit-creating and money-creating power. This can be done in a number of ways: (1) a constitutional amendment to prohibit spending in excess of tax income, (2) a constitutional amendment to eliminate the income tax, (3) a law to prohibit the Federal Reserve System from holding government bonds, or, better yet, (4) dismantling the FRS

which has served for over 60 years as an "engine of inflation" and as a meddling agency to de-stabilize the economy instead of to stabilize it.

As Christians we must recognize that inflating the money supply (1) is an insidious method of taxation and collective theft and is, therefore, forbidden by God's Word (Ex. 20:15, 17, Pr. 11:1), (2) is a treacherous means which rulers can use to demoralize and buy off the people, thus bending citizens to their will (Ps. 2:2,3), (3) serves to remove mothers from the home and thus to weaken their moral influence on children (II Tim. 1:5), and (4) leads to the destruction of Christian institutions and weakens the "salting influence" of Christians in society (Matt. 5:13).

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## INFLATION BIBLIOGRAPHY

The simplest introduction to the topic of inflation is Murray Rothbard's little book, *What Has Government Done to Our Money?*, which is available for \$2 from the Foundation for Economic Education. More complex is the 1912 classic by Ludwig von Mises, *The Theory of Money and Credit*. Andrew Dickson White, the former president of Cornell University, wrote a study of the great inflation of the French Revolutionary period, *Fiat Money Inflation in France*. Those readers who want to get a basic understanding of inflation and its effects ought to read at least the first and third books. They may be ordered for \$5 from

The Foundation for Economic Education  
30 S. Broadway  
Irvington, NY 10533

It would be wise to ask for a copy of the bibliography, *Literature of Freedom*, available free of charge. The Foundation also publishes a monthly magazine, *The Freeman*, which is sent on request. It often has articles dealing with the inflation problem.

The early chapters of my own book, *An Introduction to*

*Christian Economics*, present the case against inflation provided by the Bible. The Foundation sells this book for \$6.50, the normal retail price. A practical handbook on fighting repressed inflation, the system of government-imposed price controls, is my book, *How You Can Profit from the Coming Price Controls* (\$11.00). It can be ordered from

American Bureau of Economic Research  
713 W. Cornwallis Rd., Suite 101  
Durham, NC 27707

If it were not for the pornography and foul language, I would strongly recommend Benjamin Stein's book, *On the Brink*, a novel published by Simon & Schuster. It is graphic in its description of the potential crises that can strike an inflationary economy. Much better, but more difficult to locate, is the novel by Erich Remarque, *The Black Obelisk*. Remarque is most famous for *All Quiet on the Western Front*, but the former book is more important for understanding mass inflation. It is a novel about 1923 in Germany. Sadly, it is out of print.

—Gary North

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