

# DOMINION STRATEGIES

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I'm 25 years old, single, and share an apartment with a friend. My questions are: a) how much should I plan on saving of my net income, and b) what should I be saving for (Le., vacation, deposit on a house/condo, engagement ring, dowry)?

If I were you, I would buy copies of Robert Allen's books on real estate investing. This is probably the best way to learn. Maybe take his seminar, after you have read all of his books three times. The best use of your capital is probably for housing.

If his approach isn't satisfying, then I recommend MS-85 grade rare gold coins, or even less expensive silver coins, purchased from a nationally recognized dealer. (I track the portfolio performance of several of these dealers in my newsletter, *Investment Coin Review*.)

Engagement rings are a waste of money, but if you want to buy one, buy it from a pawn shop, where you can find lots of rings sold by poor suckers who found out too late just how much of a waste of money engagement rings are. You can buy them for 25 cents on the retail dollar.

You say, "Don't depend on Social Security. . . . Change your strategy immediately." But I have been on Social Security for several years now. I have no other options. What is your suggestion for us senior citizens?

My maternal grandmother (divorced) worked full-time until age 80. My maternal grandfather worked full-time until age 80. My paternal grandfather worked at least part-time until age 81. Go, thou, and do likewise.

Is it proper for Christians (especially Christian conservative leaders) to work for or accept financial support or free advertising from organizations controlled by Rev. Moon (Le., Washington Times, Coalition for Religious Freedom, *Insight Magazine*, etc.)?

No.

Are Christian conservatives who work together with Rev. Moon to achieve common goals, unequally yoked?

Yes.

Is there danger that Rev. Moon has a plan to "buy off" and control conservative leadership?

There's no question about it in my mind. Yes.

Once you said believers should not incur debts for more than seven years. If this is so, how would it be possible to purchase a house under today's financial conditions?

1. By renting longer and saving up a larger down payment, just like our grandparents or great-grandparents did.

2. By buying distressed housing, just as Robert Allen recommends. (See question #1) Fix it up, sell it (pay your tithe on the increase), and do it again.

3. By paying higher monthly payments, with the extra money going to principal reduction.

4. By having your savings & loan deduct the payments every other week. This will cut years off the mortgage.

6. By living in a more modest home than your income "peers." Less status, less debt.

6. By working a second job.

I would like your opinion on a method of church-building that is becoming common. I'm referring to the method where the church becomes an investment institution. To get money to build a church building, members of the congregation loan the church money, at interest. . . . This appears to be robbing God.

That's because it is robbing God. It is taking interest from what is inescapably a charitable loan. It is what the Bible defines as usury. For a detailed critique of this God-despised practice, see my essay, "Stewardship, Investment, and Usury: Financing the Kingdom of God," Appendix 3 in R. J. Rushdoony, *The Institutes of Biblical Law* (Nutley, New Jersey: Craig Press, 1973), pp. 799-824.

How can ministers "renounce" Social Security?

If they aren't recently ordained, they can't. Because pietistic seminaries (meaning all of them) have never informed their graduates about their legal option of escaping this terrible tax, few of them do so in time.

For details on how to get out, if you are recently ordained, contact Michael Giletrap, Geneva Ministries, 708 Hamvasy, Tyler, Texas 75701.

What do you think of Dr. Raymond Moore's approach to home schooling, which allows the children to develop a taste for learning at their own pace (which means putting off some things until the age of 8-10), a de-emphasis on workbooks, with a motivation toward guided exploration and creativity taking their place, participation in family and neighborhood projects, etc?

I think Dr. Moore spent too many years in graduate

school at Columbia University. His system does not get the students disciplined early enough. Fortunately, it is a classic case of an unsalable idea. Parents have an incentive to show off their children. If their 10-year-old is barely literate, they are in the soup, status-wise. Frankly, I know of no one in the Christian school movement who has ever adopted this program, and has stuck with it for very long.

The best essay I have ever read on education is Dorothy Sayers's "The Lost Tools of Learning." It points out that children learn in three stages: grammar (age 3-10), logic (about 10 or 11 until the teens), and rhetoric (teens). This was the formal of the medieval trivium, the basis of education during the late Middle Ages. Small children memorize very well; older ones lose this ability, but substitute logical skills; the teenager polishes his logical skills. This essay is reprinted in the Symposium on Education that I edited as an issue of *The Journal of Christian Reconstruction* (Summer, 1975). Order for \$7.50 from Chalcedon, P.O. Box 158, Vallejo, CA 95251.

They should begin foreign language training the day school begins, about age 4. Rote teaming should be emphasized in the early years. Your child should be able to read the New Testament in English by age 6. If not, you have cheated him.

What is the financial difference between buying insurance and betting in a casino?

Entrepreneurship is man's attempt to deal in advance with an inescapably uncertain future. We must overcome uncertainty in order to gain our goals. Uncertainty is inescapable; men are not omniscient. We see now as through a glass, darkly. Correct forecasting reduces the economic burden of uncertainty. It makes life easier. In short, "I win, and the consumer wins."

A game of chance is deliberately created by the players or by their agent (the casino). It creates unnecessary risk situations merely for the sake of betting. Games of chance are "zero-sum games": the winner profits at the expense of the losers. In short, "I win, you lose."

Insurance accepts the God-given reality of the curse. Accidents do happen. Because of the statistical law of large numbers, we can estimate the occurrence of unpleasant events for certain groups of people. Thus, in order to reduce the pain of these inescapable events, the potential victims in each group pool some money in advance. An "accident reimbursement fund" is created with their money. A little investment now can bring a large monetary return later, at exactly the time that the victim needs help most: right after the occurrence of the painful event.

Thus, insurance deals with the given realities of life's uncertainties, while the game deliberately creates risks for the sheer "pleasure" of betting. The game of chance is a Goddefying religious protest against the realities of God's world, which is not based on chance, but on providence. Insurance acknowledges the reality of accidents, and it allows people to take steps to overcome the devastating effects of these accidents.

I would like you to comment on interest-free banks as opposed to usury banks.

There are no interest-free banks, for the same reason that there are no free lunches in life.

Once again (it seems to be an endlessly repeated question from readers), let me say that interest is inescapable. Future goods are not as valuable as those same goods in the present. If I give you a new Rolls-Royce automobile (tax-free), and allow you to select the delivery date — a week from now or ten years from now — you will select a week from now.

Why? Because of the inescapable discount of future goods as against present goods.

No sane individual is going to loan present goods (money) in return for an identical amount of future goods, unless he is making a charity loan. The Bible defines usury as interest taken from a charitable loan ("thy brother who is poor"). The Bible never, ever defines "usury" as "interest" as such. Unfortunately, a lot of amateur economists haven't recognized this.

A bank can exist either as a storage center for money (for which the depositor will pay a fee), or as a place to deposit money which will be loaned out, in search of a profit. Thus, the idea of an interest-free bank is ridiculous. The reason such banks do not exist is that we live in a world of time-preference. "Now" is better than "later" in the case of economic goods (other things being equal).

Stories about some sort of on-going interest-free bank in U.S. history are mythical. They are fairy tales for pro-paper money, anti-gold standard pamphleteers.

In a depression, is it better to have gold and silver or cash?

In a deflationary depression, it is better to have cash. Since this is what most people mean when they say "depression," this is my answer. Of course, it is extremely unlikely that we will have a deflationary depression before we have mass inflation or a price controls economy. I know of no economist who predicts a deflationary depression. A few newsletter writers do, most of whom have been predicting imminent deflation since 1974, or even earlier.

Mary Pride really does not teach the things attributed to her by the letter-writer in *Dominion Strategies* (Feb. 1986).

I'm glad to hear it

It is clear that it is not simply "young" and "very young" children who need attention. "Latchkey" kids of up to 15 or 16 years old are quite clearly being hurt by the lack of a parent when they arrive home, and the Christian day-care center, while staffed with Godly people, hurts the children more than it helps. The advent of working mothers, contrary to your statement, is what has produced most of the rebellious, lemming-like behavior of the kids today.

Odd, I thought it was the public school system. Or secular humanism. Or television. Or sex education. Or the Trilateral Commission. Or something besides working mothers.

Might it just possibly be the decline of the gospel? Might it just possibly be the whole humanist culture in which we live? To single out working mothers as the cause of today's youth problems is a bit hard to accept.

You argue out that "latch-key" children are the problem. In earlier centuries, kids of this age (up to 16, as you say) were employed full-time in the labor force. In many cases, they were already married. The problem today is a government-created world of youthful irresponsibility: compulsory State education, excessively limiting child labor laws, and minimum wage laws. This work legislation was designed by labor unions to restrict market competition.

The problem aspect of the "unattended teenager problem" isn't created primarily by working mothers; the problem is the humanist State's creation of irresponsible, non-working teenage children. I worked three hours a day, four days a week after school, six hours on Fridays, and eight hours each Saturday, from age 14 until I went to college. I had latch-key parents: they sometimes got home before I did. It did me no harm. It didn't seem to harm them, either.