

January 1, 2010

Gleanings

Optimist or Not?



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Are you ready for 2010? Are you expecting it to be a great year? If so, what is the basis of your hope? Is it President Obama's declaration that the worst is behind us? Or perhaps you agree with some of the economic pundits who have declared that the recession is over. Maybe you found a good opportunity through the recession. Or perhaps you just want it to be over, so you are trying to "will it" into existence. Whatever your perspective, the question is, what is reality? Will 2010 be a year in which we move forward or will we regress?

For the purpose of our discussion, let's focus on economic matters. In particular, let's consider some of the salient aspects of the current economic environment of the United States (US).

- The US federal deficit is at an all-time high and expanding rapidly.
- The dollar continues to be weak relative to other currencies, which reflects the low level of confidence in the US's fiat money system and the lack of confidence in the US government's ability to manage its affairs.
- The balance of trade continues to be unfavorable, meaning that the US is a net importer. In our case, a major reason—if not the only reason—is that US manufacturing is not globally competitive.
- Being a net importer implies that the stimulus efforts may have done little to help domestic manufacturing; most of the money was probably exported in return for imported goods. Therefore few domestic jobs were created.
- True unemployment and underemployment is probably in the high teens and maybe even over 20 percent—approaching the levels of the Great Depression.
- Though interest rates are still low, there seems to be little economic activity as a result of the low cost of capital.
- The risk of inflation is increasing as the federal government's borrowing needs increase and investor confidence in the federal government decreases. This means that the cost for reissued and new federal debt will be higher, which will potentially increase the deficit.

Encouraging picture, right?

Notwithstanding these grim realities, some of the leading capitalists of our day are optimistic. Note, for example, Warren Buffett and Bill Gates who, in November 2009, were guests at a town hall-style venue at the Columbia School of Business. For one hour, students and faculty asked questions of these two venerated business magnates.

In watching the video of this meeting (<http://www.cnn.com/id/15840232?play=1&video=1329393420>), it was clear to me that Buffett and Gates are optimistic about the future. Interestingly, the above economic realities were barely mentioned, if at all; instead, they focused on history. Buffett and Gates attributed their positive outlook to their past successes and the historically positive environment for capitalism.

When asked about the greed on Wall Street, Buffett noted that greed has been around a long time, seeming to suggest it is no worse now than in the past. Furthermore, he suggested that the economy has a self-correcting mechanism—perhaps a reference to Adam Smith's invisible hand. Hence, Buffett seemed to view the current economic calamity as merely a self-correcting storm. To reinforce his optimism, Buffett even offered \$100K for 10 percent of the future earnings of any student at the meeting—I am sure this was a hyperbole.

Buffett and Gates are widely regarded as two of the most successful people of our day; therefore if they are optimistic, should we be?



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To respond, first we need to note a presupposition that Buffett and Gates seem to embrace about the relationship between physical and spiritual reality. Through the entire discussion I did not hear any statements that would clearly connect physical and spiritual reality. Buffett and Gates seem to assume that economics and business (i.e., physical reality) exist and operate independent of spiritual reality (i.e., God). It appears that Buffett and Gates operate under either a naturalistic presupposition or a deistic presupposition. A naturalist believes there is no God and therefore no spiritual reality. A deist believes there is a God who has created the universe and its rules, but that God does not interact or interfere with the universe; hence, everything happens according to the predetermined rules.

Interestingly in this discussion of economic matters, it matters little whether a person is a naturalist or a deist, the end result is the same. Relative to economics and business, in either worldview there is no connection between physical and spiritual reality, either because it does not exist or because it is not relevant.

One of the clear teachings of the Bible is that there is a connection between physical and spiritual reality. Consider the nation of Israel as an example.

Repeatedly throughout the Old Testament, Israel was told that obedience to God is the predicate for economic blessing and that disobedience leads to economic calamity (Deuteronomy 28). And indeed Israel's sin led to economic and political judgment. In fact, most of the Old Testament is devoted to this theme. There are few truths that are so emphasized in Scripture.

Some might object to using the Old Testament to provide guidance for economics and business in the New Testament era. May I point out that Jesus' Bible and the apostle Paul's Bible was the Old Testament. Furthermore, the apostle Paul wrote that the Old Testament provides examples for us (1 Corinthians 10:11)—examples to teach and train us in righteous living. Paul reinforced his view of the relevance of the Old Testament in his letter to Timothy when he said:

All Scripture [the Old Testament] is God-breathed and is useful for teaching, rebuking, correcting and training in righteousness, so that the man of God may be thoroughly equipped for every good work. —2 Timothy 3:16–17 [NIV]

Hence, the Old Testament is a relevant source of revelation about God and His creation. And the Old Testament clearly teaches a strong correlation between spiritual and physical reality (for example, Psalm 1).

The connection between physical and spiritual reality can be expressed by two simple maxims:

- Obedience to God facilitates economic blessings.
- Disobedience to God leads to economic calamity.

The immediate objection to these maxims concerns the prosperity of the wicked. You probably know some wicked people who seem to prosper. Scripture makes it clear that the apparent prosperity of the wicked is only temporary (Psalm 73)—it is a “head fake,” to use a football analogy. The only way to enjoy enduring economic blessings is through obedience to God.

Neither Buffett nor Gates seems to understand this connection. The basis for their optimism is prior success. In the town hall discussion there was little conversation about the signs of the times noted above, much less their understanding of obedience to God.

In the Old Testament, God endured Israel's disobedience and repeatedly warned them that their disobedience would lead to judgment. Perhaps God's forbearance with Israel gave them a reason to question God's word; however, in the end, judgment came and part of the judgment was economic calamity.

Israel's root sin was idolatry. The God of the Bible claimed to be the only God and He required exclusive allegiance (Exodus 20:1ff; Isaiah 45:14). The God who revealed Himself to Israel is the same God today (see Malachi 3:6 and Hebrews 13:8). And as with Israel, God requires exclusive allegiance or there will be judgment.

Today, idolatry is prevalent worldwide. Just consider all the different worldviews each based on its own god—Islam, Buddhist, Hindu, humanist, atheist, New Age, hedonism, mammon, and so forth. Idolatry is ubiquitous in the present time just as it was in the time of ancient Israel.

Therefore today, as with ancient Israel, we appear to be living in a time when God is forbearing with the sin and rebellion of the world. But, for how long? When will God declare it is enough and execute judgment on the world as He did with the nation of Israel?

If your optimism for the future is based on a naturalist or deistic presupposition, like that of Buffett and Gates, you may find yourself surprised and unprepared. If the Bible is true, anyone who operates assuming no connection between physical and spiritual reality will, in the end, be proven wrong. The only question is *when*.

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If you want to be optimistic—truly optimistic—you must build your life on Christ, the only sure foundation for life. A person who builds his or her life on Christ recognizes that spiritual reality undergirds physical reality. Such a person works diligently to grow in Christ and thereby lays a foundation of sound spiritual reality that will yield blessings in the physical realm.

Notwithstanding the head fake of the wicked, the maxims above are true. Obedience to God facilitates economic blessings and disobedience leads to economic calamity.

To be prepared for the future, it is not enough to simply be optimistic because of past successes; it is not even enough to know the signs of the times in the physical realm. You must be skilled at understanding spiritual reality and know the Lord well enough to align yourself with His will and ways. This is the only basis for true optimism, as this will prepare you for whatever is ahead and facilitate economic blessing in your life.

Happy New Year!

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More Helping Finding Your Life Purpose	Seminar : SLA Alumni Event	February 1, 2010, in Canada June 25, 2010, in Texas
Fulfill Your Life Purpose	Webinar : Kingdom Management II	January 12, 19, & 26, 2010
	Seminar : Financial Management, Part II	Spring 2010