



ETERNAL VALUE REVIEW

MONEY MONITOR & GLOBAL TRENDS REPORT

Issue 5, Volume 13

"For thinking Christians seeking to understand the times."

OCTOBER 2010

FEATURE REPORT

Dollar Demise: Prophetic Significance of a One-World Currency

On August 7, 2009 a significant event occurred. Did you miss it?

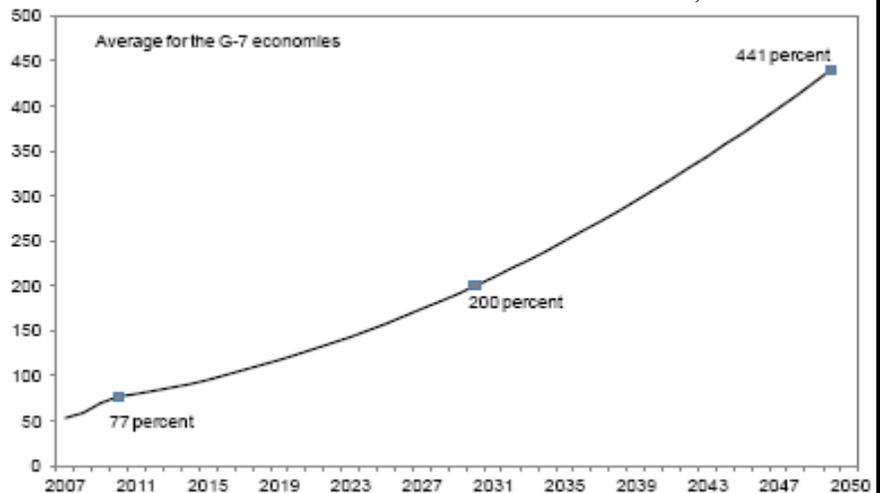
On that day, the International Monetary Fund (IMF) voted to increase the supply of SDRs by \$250 billion. Shortly thereafter, on August 28, these SDRs were issued and redistributed to the 186 member countries of the IMF. What was so noteworthy about this? And, just what are SDRs?

Well, to begin, we should start with identifying the IMF's role in the world. Quoting its website: "The IMF promotes international monetary cooperation and exchange rate stability, facilitates the balanced growth of international trade, and provides resources to help members in balance of payments difficulties or to assist with poverty reduction."¹ This mission should cause us to sit up and take notice. This organization is one of the most influential in driving global financial and economic convergence. Bible readers know that since these are sub-trends of globalization and globalism, therefore we are dealing with a topic of prophetic significance.

But what are SDRs? It is an accounting unit for the financial reserves of the IMF and stands for Special Drawing Right. It serves as a type of currency for this transnational organization and its members. Technically, the SDR is not a real currency, as it cannot be spent in the marketplace. For example, today you cannot take an SDR coin and buy a coffee in a café in Brussels. All the same, as this accounting

... continued on page 5

Fig. #1: Present Course: Greater Indebted World Order
General Government Net Debt Forecast G-7 Countries, % of GDP



Source: IMF, Staff Position Note, Sept. 1, 2010, Long-term Trends in Public Finances in the G-7 Economies

"The LORD sends poverty and wealth; he humbles and he exalts. He raises the poor from the dust and lifts the needy from the ash heap; he seats them with princes and has them inherit a throne of honor."

—1 Samuel 2:7-8

In This Issue

Feature Report: *Dollar Demise: Prophetic Significance of a One-World Currency*

—pg. 1

World Money Update: *Dangers of Desperate Crowds*

—pg. 1

Letters to Editor —pg. 7

Facts n' Stats —pg. 8

Personal Perspective *Gold: A Religious Investment?* —pg. 12

WORLD MONEY UPDATE

Dangers of Desperate Crowds

A special caution is due, and, it may seem strange. It is simply this: Don't fall for consensus thinking and popular opinion. Never place full faith in the specific forecasts from anyone ... including *EVR* should we ever provide specific investment opinions.

Frankly, I am not aware of any forecaster who has an unblemished record, nor of any statistical evidence proving that anyone has better odds of being right with respect to short-term financial market trends than simple luck. Over the years, I have met with hundreds of analysts and economists, some of them brilliant and well known. None had a perfect record.

As it is, God made it so, that human lifespans are much too short to allow them to prove forecasting skills any better than serendipity. Out of every 10,000 forecasters (they could be chimpanzees) who are turning out opinions by flipping coins, a few are bound to appear brilliantly

... continued on next page

prescient. That is simply a function of probabilities.

Again, why our caution? There are many good reasons. Firstly, Christians should be aware that the world is already very far advanced towards the conditions described to take place in the Great Tribulation. A highly deceptive world characterized by economic oppression, anxieties, wealth distortions and deep materialism and idolatry is prophesied. Great hardships occur. These will be unprecedented conditions.

Today's domestic and global financial problems are well publicized both by professionals and novices. We read everywhere warnings about why the U.S. dollar is sure to collapse ... why gold is the only hope of protecting one's wealth .. why China is the future ... etc. These expectations are so obvious today that even children will understand why gold should soar to \$5,000 an ounce.

No doubt, there is plenty to worry about and U.S. dollar doomsters and "gold bugs" have good reason to carry center court with the media. Conditions are so obviously bad that they must be correct, right? Except for one thing: That what is popularly obvious should actually play out as popularly expected. It rarely does. At present, we would choose to not complacently accept any consensus scenarios whatsoever. Consensus opinions are so strong that anything is possible. Rather, expect the unexpected and cast ones net very wide, not relying upon any one opinion or outlook. Stay very vigilant.

Therefore, please, do not simply accept hysterical and populist views about the U.S. dollar, stock markets (or anything else that is part of the realm of Mammon) from your financial advisor, your pastor or anyone. Rather, expect the unexpected. It is specifically these opinion swings and manipulated delusions of crowds that are part of this very progression to the prophesied conditions.



ETERNAL VALUE REVIEW
MONEY MONITOR & GLOBAL TRENDS REPORT



Wilfred J. Hahn, Editor

Eternal Value Review is produced bi-monthly by *The Mulberry Ministry*, P.O. Box 2609, Station R, Kelowna, BC, Canada, V1X 6A7. Please direct all inquiries concerning distributions in writing or by contacting our administrative offices at admin@eternalvalue.com.

Annual Subscription Rates - *Eternal Value Review* is available free of charge in PDF format to on-line subscribers six times a year. Please sign up for free distribution at www.eternalvalue.com. Mailing of a print version is \$19 for one year. Back issues are posted on our website.

Questions, comments correspondence and relevant news items are welcomed in writing to the Editor at the above-named address or e-mail to staff@eternalvalue.com

Financial Health Warning - The use of *Eternal Value Review* for the promotion of any other commercial activity or pursuit is expressly prohibited. *The Mulberry Ministry* does not endorse any third-party financial product, service or any promotion of an investment scheme.

Copyright - ©2010. Mulberry Press Inc. One-time reproductions and excerpts are encouraged for the purpose of introduction of the viewpoints of *The Mulberry Ministry* without permission.

Bible Quotations - All scriptural references are quoted from the *New International Version* unless otherwise stated.

Consider the following points, all pointing toward unprecedented, deceptive and confusing times.

1. Crowd Delusions. Firstly, as already intimated, the majority is never ultimately right. God has made creation in such a way that it can never undermine his sovereignty nor deserve more worship than himself. As soon as a nation or peoples puts their faith in anything other than Him, disappointment is assured. This dynamic is also manifest in financial markets. No sooner is a majority sure about a certain financial outcome, and it will not happen. In fact, it "cannot" happen. Therefore, whenever nearly everyone has put their faith in a similar investment or expectation or expectation (i.e. think about the recent real estate crisis), it is liable to result in an opposite and disappointing outcome.

Just when has popular opinion played out exactly as expected? It rarely does. This year alone has produced frequent validations for our suspicion of consensus views. Earlier in the year, it seemed everyone was hysterically sure that long-term interest rates were going to soar. It seemed so obvious given the enormous all-time-high government deficits. The outcome? The exact opposite from popular expectation. One of the strongest bond markets of recent decades erupted. Similarly, most economists pooh-poohed the idea that there would be a second economic slowdown. Then, within a matter of several weeks, opinions completely flip-flopped in the April/May period, producing the "flash crash." And recently, U.S. stock markets have paid no mind to "doomster, dumpster-diving," turning in the best September in seven decades.

2. Mammon's Game. Financial markets are the domain of Mammon. Here, morals and idealism have no value and carry no advantage. The spirit of Mammon is mobilized through the affections of mankind towards money and material. As such, expect treachery. It is only "experts in greed" or people "sly as foxes" that can traverse these dangerous grounds.

3. Convergence of Monetary Policy Practice. The globe today — inclusive of former communist and command-driven economies such as Russia and China— has been persuaded to play by the rules of fractional-reserve banking systems. While there were only several dozen or so central banks in the world a century ago, today there are more than 170 (at least, in name). Money has become a global confidence game of popular beliefs and prestidigitation. All money is fiat. Notably, some of the newer country entrants to the central banking club today possess the largest currency reserves and surpluses. What's different in respect of how future scenarios may unfold? We draw several crucial conclusions:

a. Behaviour of money and credit is more homogeneous and therefore subject to greater bubbles

and busts.

b. It represents an entrenched and powerful global control system that will not easily allow external sentinels such as gold or land values to undermine its influence. (Gold bugs, watch your back!)

c. Fiat money is mainly valued relative to other fiat currencies. Be careful to note that if you don't like the U.S. dollar, you first need to be sure that you like all other currencies better. Is the euro really a better currency than the U.S. dollar?

4. Centralization of Money Flows. Global capital today is controlled or directed by a smaller circle of people than ever before. Some years ago, *Global Finance* magazine guesstimated (if we remember correctly) that less than 6,000 people in the world determined the bulk of global money flows. Whether or not this estimate is correct, it is clear that global money flows have centralized. That changes the character of money flows. Here again there is a greater homogeneity of motivations behind the action of capital around the world.

Legions of statistics could be cited to prove this, some of which have been quoted in this letter before. For example, according to a Conference Board study, institutions today hold over 66% of U.S. stocks, up from only 37.2% in 1980s. Additionally, a pair of physicists at the Swiss Federal Institute of Technology in Zurich conducted a physics-based analysis of the world economy as it looked in early 2007. They discovered that a common "backbone" of entities accounted for 80% of the ownership of major stock markets globally. (Source: Backbone of complex networks of corporations: The flow of control, J.B. Glattfelder and S. Battiston).

Conclusion? Today, persistent herd behaviours — possibly major asset or velocity inflations — can emerge more easily. Such wild scenarios are not as unlikely as may be thought.

5. New Geopolitical Factors. Every so often throughout history, tidy financial theories have been disrupted by political occurrences of variously types ... from the French Revolution, to the Great Wars, to geo-political competitions (i.e. the Cold War, oil cartel economics ... etc.), or just plain tax grabs. We have long argued that the world is headed for post-globalism ... more exactly, multipolarism ... then mini-polarism. That means greater risk as countries more brazenly pursue individual interests. Exactly such tremors are already evident today. Consider the next point.

6. Potential for Currency Wars. Ambrose Evans-Pritchard, writes: "*States accounting for two-thirds of the global economy are either holding down their exchange rates by direct intervention or steering currencies lower in an attempt to shift problems on to somebody else, each*

with their own plausible justification. Nothing like this has been seen since the 1930s."

This is indeed the case and therefore a major differentiating factor of the current times. A currency war, as seems highly likely, could alone throw the U.S.-dollar "bears" for a loop. Currency theories stand useless as far as offering forecasting insights in this case. Anything is possible.

7. Global Savings Imbalances. Global savings imbalances remain extreme. These are not receding, but rather are being again reinforced. For example, never before in modern financial history has one country accounted for such a large trade surplus relative to global economic output! Likely never before has one country accounted for such a large portion (one-third) of global currency reserves, which themselves are at unprecedented levels (now greater than \$8 trillion USD). Of course, we are referring here to China. On the other side, never before has one country accounted for such a large external deficit relative to the savings of the rest of the world. (Yes, that's the U.S.) It is hard to see how this will add any stability to world affairs, especially as trade protection initiatives are being threatened.

8. Asset Safety Concerns. Michael Pettis, one of the more provocative thinkers about China and global imbalances, argues that peculiarities of today's extreme global imbalances can produce some very unexpected effects over the short-run. Investors' high concern over asset safety (which provides the occasional impetus for a rush of capital flight) and the reluctance of countries with high surpluses to reduce them, stands to produce some very perverse effects upon global capital flows. He thinks it possible that the U.S. could be swamped with capital, despite its high deficits.

In a world where deficit countries are increasingly falling into the "pariah category" (i.e. Greece, Ireland) and surpluses are being protected and reinforced, there will be a shortage of safe "deficit" countries ... at least for a while. Surplus countries cannot invest their excess funds if there is not a counterbalancing deficit country. While certainly a bizarre situation, it makes sense. (Dollar bears be warned. The U.S. dollar's ultimate doom could be delayed!)

9. Global Aging Demographics. A global "aging phenomenon" cuts rather unevenly across world capital markets. Why? The bulk of the world's funded pension system (lately, with significant under-funding) sits in the industrialized world. That also happens to be the same part of the world facing low-economic growth and low investment returns for the foreseeable future. This situation contributes an entirely new set of urgent and "different" dynamics (which we will have to address in more detail in a future issue).

10. Shifting Human Values and Converging Beliefs.

Various surveys show global convergence of responses to financial events. In a broader sense, there has also been a convergence of values centering on “free markets,” securities wealth and just plain humanist materialism. To illustrate the nature of this shift, it is interesting to recall that in some societies as little as a half-century ago, vocations related to commerce were thought to be base activities. Priests and philosophers, who were supposedly searching out the higher things in life, were the most revered. Today, the pursuit of gain and material wealth has increasingly become a top human value. What does this mean? The global competition for wealth accretion (whatever its definition) will continue to become more competitive and cutthroat. Expect ever more frenetic swings in sentiment and investing themes.

11. Global Wealth Skew. We think the biggest “different” factor, for the globe (and certainly U.S. capital markets) is the great unspoken elephant in the room—a widening wealth and income skew. The U.S. Gini coefficient (a measure of income inequality) is approaching the high levels of some Latin American countries. The impact of this development is crucial to understand. Previous economic relationships and trusted cycle theories may simply no longer hold.

Remarkably, very few economists give any admission to this fact. Perhaps it is “politically-incorrect” to be seen to cast any doubt on the Great American Dream of becoming rich. (Yes, you too can be rich!) To be certain, some delusion exists on this point. For example, some economists argue that since the household sector in aggregate holds sufficient assets against debts, that therefore perceived debt leverage problems are overblown. This is nonsense, especially so if an extreme wealth skew exists. Those households that own assets are not necessarily the same people that have the debts. Suffice it to conclude that this factor makes today’s economic/financial conditions significantly “different” than before. The financial outcomes can be very “different” and potentially unhinged from the real economy.

12. The Vagaries of Short-term Timing. Finally, we would be remiss if we did not acknowledge that short-term timing can be most confounding, no matter how certain the long-term outcome. For example, Japan’s economy has been in the process of decline for a period of nearly two decades. Its Nikkei 225 stock market index is still at one-quarter the level of its all-time peak of 38,957 on December 29, 1989. All the same, some spectacular, explosive trading opportunities emerged (some lasting for more than a year) from time to time, that investors could ill-afford to miss. The same could be possible today, even though the long-term prognosis

remains dour. The point? Though one might be exactly right about long-term outcomes (the U.S. dollar could indeed collapse some day) shorter-term outcomes could be the exact opposite and prove disastrous to you financial health.

Of course, we agree that there are no shortage of serious economic problems, and that in the end, we will all be dead. Certainly, nothing good can come from a long-term application of “Quantitative Easing.” The seeds of the next financial crisis are therefore already in place, if not simply masking an ongoing one. But monetary maladies can express themselves much differently today than may be popularly expected.

While some things never change, seasons, eras and epochs, by definition, are very different from each other. Today’s financial conditions around the globe are markedly different ... unprecedented ... in uncharted waters ... with little exact historical analogues.

While we may be trained securities analysts (therefore prone to see the world quantitatively) we must not forget that economies on planet earth are driven by “HUMANS.” Minus the influences of circadian and seasonal climate cycles upon this planet, all financial trends ultimately do find their explanation in the actions and beliefs of “HUMANS.” These have never been governed by quantitative models nor linear logic. For the most part, humans are free-willed organisms that are constantly learning new expectations and positioning for advantage.

As such, during times of financial desperation and confusion, it is especially important to pay attention to the behavioural shifts and moods. And, if there are favourable outcomes in prospect, people will agree to be deluded. In a world of “funny money,” ultra-manipulated markets, and capital flows increasingly dominated by a smaller number of trampling elephants, anything may be possible.

As such, conditions today are rife for manias, high volatility, asset inflations and flight capital dynamics. It should not be a surprise if markets do not conform to historical precedents nor reflect underlying conditions unfolding in the real economy. Today, more than ever, “the industrial and financial circulations” that John Maynard Keynes observed, stand to be more disconnected than ever for periods of time.

This leads to two key conclusions. 1. Firstly, not to put any faith into any strongly-held consensus views; and 2. That possible outcomes and scenarios unfolding over the nearer-term are much wider than most imagine

Expect the unexpected and stay widely diversified.

Most importantly, “Cast all your anxiety on him because he cares for you” (1 Peter 5:7).

EVR

Prophetic Significance of a One-World Currency cont'd from ... page 1

unit is defined as a basket of underlying currencies (the US dollar makes up about 44% of its value) it does carry real financial clout.

Due to the SDR's rather specialized and obscure role, most people would not know that it has already functioned as a global monetary unit since its inception back in 1969. The recent issue of SDRs is the first in almost 3 decades (1981) ... representing somewhat of an awakening. What is also significant is that this allocation has boosted the amount of SDRs by 7.5 times. Could an ascendant SDR someday dethrone the US dollar? What role will it play in a developing one-world currency? We want to address these urgent questions.

Move Over Dollar

Interestingly, the IMF's new SDR issue has not caught the full attention of those who believe the world will soon have one-world currency. That may be due to the fact that the total value of SDRs still only represent a fraction of total world currency reserves (less than 1%), or that they are neither visible nor understood. Usually, every time an event occurs that could be construed as a step toward a one-world currency, one can expect a stream of hysterical reports and speculations. We will yet come back to address the legitimacy of "one-world currency" fears.

For now, keeping to our line of inquiry, any discussion of significant shifts in global reserve-currency supremacy must involve implications for the US dollar. In order for a one-world currency to emerge, we must also presume that the role of the US dollar is on the wane and will be removed. Let's then deal with this possibility first. It certainly is true that the US dollar is suffering an "image" problem today, as some analysts have put it. After about six decades as the world's main reserve currency, many key nations have been intensifying their complaints that the US dollar is no longer suitable or worthy. The BRIC countries (Brazil, Russia, India and China) have most brazenly been calling for a new global reserve currency.

China would dearly like its currency (the yuan) to play a role as a world reserve currency. It is the country that stands to lose the most should the US dollar falter, since it has accumulated large official holdings of US-dollar assets. Some analysts have speculated that the world would some day be moving to a yuan standard. Could this happen? We will yet provide our opinion.

With respect to the dollar, even some prominent American economists are of the view that the U.S.'s role in world capital markets is on the wane. Quoting Joseph

Stiglitz, a respected academic and former Chief Economist of the World Bank, "To be sure, our influence will diminish, as we are less likely to be held up as a role model, but that was happening in any case. America used to play a pivotal role in global capital, because others believed that we had a special talent for managing risk and allocating financial resources. No one thinks that now, and Asia—where much of the world's saving occurs today—is already developing its own financial centers. We are no longer the chief source of capital. The world's top three banks are now Chinese. America's largest bank is down at the No. 5 spot."²

The US dollar position as the major reserve currency is clearly under attack. It is true that US financial policies have often been criticized over the years, and sometimes without merit. Either the dollar was considered too high in value (i.e. a situation which led to the Plaza Accord of 1985) or too low (i.e. in recent years versus the Euro). But lately, complaints have had more to do with the huge international indebtedness of the U.S. and its reckless monetary policies.

Recent financial developments and geopolitical shifts likely signify a critical turning point for the dollar. Therefore, could U.S. currency trends of late be prophetically significant?

We provide answers to our questions first from a Biblical response, and then from a contemporary economic perspective. Let's therefore examine the prophetic view next.

Prophetic Views on Currencies?

It must certainly be recognized at this stage of world history that any major and sudden development is likely prophetically significant. This would especially be the case were it to also to impinge upon Israel in some way or lead to a new consolidated global power structure centered around 10 countries. One of the most important markers of the endtimes has already been triggered—Israel has been reborn. If the US dollar were to topple suddenly, it most assuredly would be a development that hastens the arrival of endtime prophetic conditions.

But would that mean that a one-world currency is in the offing? This is possible ... but not certain ... or even highly likely. Many Bible prophecy scholars treat the one-world currency notion as if it were specific literal prophecy. It is not. Rather, it is a deduction. That is not to say that it would represent unreasonable conjecture. However, if we stick to what the Bible actually says, the correct and supportable response must be that a one-world currency cannot be either proven or disproved from the Bible. Scripture is silent on this specific idea.

What is clearly prophesied are the conditions of

global convergence in commerce, politics and beliefs (i.e. religion). We have issued several articles documenting these assertions biblically, especially in relation to globalization and globalism. These can be found on our website.

That said, we still cannot prove that there will be a single, fungible world currency. Actually, we may be wasting our time being on the lookout for a one-world currency. It is not required to fulfill prophecy. Consider that while ecumenicism may ultimately achieve a one-world religious convergence—one big happy family of diverse religions that tolerate each other and ignore mutual inconsistencies—this would not require individual religions to lose their independent identities. Likewise so in the financial world. One can have a one-world financial system that reflects similar protocols and conventions, but many individual currencies.

Tiring Speculations Without Sure Conclusions

I admit that I sometimes get a little tired of all the one-world currency speculations and sensationalizations. As someone who has worked on the frontlines of global money for almost three decades, to me the whole question denies the reality of what already has unfolded. A one-world capital market already exists. A one-world trading system of goods and services—though there is room for much more convergence—can also be said to have arrived. It is these developments that the Bible specifically prophesies ... and not a one-world currency.

We have made the point frequently in our writings that the world's capital markets are already on a de facto "one currency" standard. Professional money traders who work inside this system fully appreciate this state of affairs. Money moves fluidly across currencies around the world in the trillions. Sophisticated financial hedging instruments exist that in essence give security and mobility to global money. We acknowledge that there are more individual currencies in the world today than there were 20 and 50 years ago. Yet, this trend has not stopped global monetary convergence. Far from it.

So, when I get breathless questions about the Amero (a proposed American currency union), the khaliji (proposed, but currently sidelined currency for six Middle East countries), the Asian single currency project that has been accelerated... etc., I can't help but feel that we are missing the forest for the trees. Yes, these currency unifications can and may very well move forward. But so what? It is much too late to become a monetary "single-currency" alarmist, and what would it accomplish in any case? Let's wake up and pursue questions that are more relevant and practical, as we will note in the conclusions.

Contemporary Analysis of Future Currency Shifts

What is the economic case for a one-world currency? There would be both advantages and disadvantages. On balance, in the multi-polar world system that is developing today—one that is no longer likely to be anchored by one superpower—it would seem improbable that sufficient unanimity for such a development is likely any time soon. Of course, were a massive world financial crisis to erupt—one much, much bigger than the Global Financial Crisis (GFC) — and a strong leader emerge who is influential and flattering enough to successfully force world consensus on such a question, conditions for the formation of a one-world currency would be more conducive.

But we need not preoccupy ourselves with this scenario. It would be a development involving the Antichrist that occurs inside the Tribulation period, and does not concern us today. Now, the more obvious outcome is that the world will move to a multi-currency reserve platform. Such a regime would be more in alignment with the Bible's indications. After all, Scripture tells us that first a multi-polar coalition of nations will develop, shown as 10 separate countries (the "10 kings"). (See Daniel 2, 7 and Revelation 12, 13, and 17, which speak of 10 toes, 10 horns and 10 kings.)

A number of currencies together are therefore likely to supplant the US dollar's lone reserve role in the world. The euro, yen and eventually perhaps the Chinese yuan, Russian ruble, Brazilian real and others could play a part. This is why the IMF's SDR, in my view, is likely to become much more important in the future. It is an inclusive financial structure, ideally suited to a multi-polar world. Though it is not a real currency itself, it yet facilitates power sharing and the mobilization of global money.

Thoughts to Ponder

With respect to the outlook for the US dollar that is cherished by so many, here is a fact that you may not have known: It was recognized long, long ago—in fact, right at the inception of the world's current monetary regime—that the US dollar was fated to lose its central reserve role. Its eventual fall was anticipated by the very architects of the Bretton Woods system. (An important paper written by Robert Triffin in 1960 clearly underlined this conclusion.)

In order to provide the currency backbone to the world, the U.S. needed to run deficits (supplying US dollars to the rest of the world.) But this can be done only so long before mounting international debts would overwhelm the U.S. Indeed, in part, this is what has happened.

The bottom line? After 60 years of serving as the world's reserve currency, the globe is swamped with US dollars. (Consider that some 70 percent of dollars in circulation are held outside the U.S.!) Even should a major currency crisis be avoided, it only stands to reason that the US dollar will continue to decline in influence. That could take a long time; or it may not.

As Christians, however, it is crucial that we not get distracted from the reality of what is unfolding. We should avoid fixations with misleading indicators and our hobbyhorse prophetic theories when they cannot be proven from the Bible. We need to keep watching ... and learning. Jesus Christ implored the disciples many times to watch ... at least nine times!

The one-world financial system is already here ... the endtime money snare virtually complete. The more important questions are these: Just how can we remain separate and holy from the rampant religion of Mammonism that is enveloping the world today? How best can we be used in the task of snatching people from the fire?

Jude summarizes these directives, saying:

“Be merciful to those who doubt; snatch others from the fire and save them; to others show mercy, mixed with fear—hating even the clothing stained by corrupted flesh” (Jude 1:22-23).

There are initiatives in which Christians can safely be activists: Snatching people from the fire and hating the corruption of the flesh.

Maranatha! Oh, Lord, steel our resolve and equip us to do so in these “perilous” times (2 Timothy 3:1).

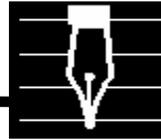
ENDNOTES

1 International Monetary Fund, <http://www.imf.org/external/about/overview.htm>. Accessed July 25, 2009.

2 Joseph Stiglitz, “Wall Street’s Toxic Message,” *Vanity Fair*, June 11, 2009.

Wilfred’s Itinerary: *The Mulberry Ministry*

- **August 22, 2010, Grace Baptist Church — Kelowna, BC.**
- **September 18, 2010, Steeling the Mind Conference: —Denver, Colorado:** Register by phone: 800.977.2177, 9-4 PST or register online at www.compass.org
- **October 22-23, Berean Truth Ministries, Regina, Saskatchewan, 2010,** www.btmregina.ca
- **October 24-26, 2010: Midnight Call Ministries, 2010 Atlantic Prophecy Conference— Myrtle Beach, SC.** Please contact Midnight Call at 1.800.845.2420 or visit www.midnightcall.com



Letters to the Editor

READER: I greatly appreciated your insightful piece re: Far East Asia trends at www.RaptureReady.com and found it very informative. Thank you. Concerning “why” the Kings of the East are found in modern Iraq, I have a theory to offer. Perhaps the Chinese (who'd likely be the primary driver of a solitary or combined military force of 200,000,000 soldiers) will lay claim to the Middle East oil fields as repayment of American loans. In a post Ezekiel 38 and Psalm 83 world, there would be no Islamic resistance to stop them and with a United States gutted of her Christians, and now completely unable to repay, the Chinese will see our billions spent in Iraq as prepayment. They need oil now and, if the economy recesses/depresses and becomes as you say it could (and I think you are 100% right!), cheap energy will be what the Chinese believe will fix their economic ills. Just a thought, for what it's worth. Thanks for letting me offer it. May the Lord richly bless you today.
— **C, Colorado, U.S.**

EVR: Thank you for your note. Your theory is certainly plausible and could make sense chronologically. However, there are other possibilities ... and some potential problems with this perspective. The big unknown, of course, is the answer to this question: What is the motivation behind the 10 kings crossing the Euphrates? All that we are given in Revelation 16:12 (with no apparent connection to any other prophetic event mentioned in Scripture) is that a river is dried up to “prepare” the way for the 10 kings. We can only speculate. Is the cause an economic depression, the quest for oil or something else that lures them westward? Perhaps the “preparation” of a dried river serves the same function as the “hooks into your jaws” (Ezekiel 38:4) of Gog, prince of Rosh. We don't know. Also to note is that the events of Revelation 16:12 unfold very late in the Tribulation period, as these take place at the time of the sixth vial. As such, 7 seals, 7 trumpets and 5 bowl judgments have already occurred. This late in the Tribulation, advanced stages of economic and financial collapse must have already fallen upon the world. Who would need to be looking for more oil supplies at that time? Last, but not finally, there remains the whole issue of the timing of the events of Ezekiel 38-39. It is quite popular today to assume that these events take place prior to the Tribulation ... in other words, perhaps very soon. These interpretations certainly are not conclusively refutable, other than to acknowledge that there remain other viable scenarios. I choose to leave interpretations. A pivotal question that interplays in the interpretation of developments in Ezekiel 38-39 and Revelation 16:12 is the matter of the type of warfare.

... continued on page 9

Facts & Stats ... Ends & Trends



TOPICAL QUOTES

The U.S. inventory of homes consists of vacant houses, reported quarterly by the Census [...]. The total commonly reported as “vacant for sale and for rent,” is now 6.4 million units. This ignores the millions of other vacant units, especially the 7.1 million held “off market.” A total of 19 million units (not just homes) are vacant, as of the first quarter of 2010. That’s 14% of the total 131 million [home] units [in America].

— **Fabius Maximus, July 9, 2010**

Human behaviour is simply too complex and nuanced to be fully represented mathematically, at least with the maths known to modern man. Maths can help us to gain insight into economic processes, but it is not the only way to gain such insight, nor even the most productive.

— **DeLisle Worrell, Governor of the Central Bank of Barbados**

Waldfoegel and Ferreira analyzed every song on the hit lists of 22 countries between 1960 and 2007. They then compared each country’s share of the pop-music market with the size of its economy. Not surprisingly, American hits dominated, accounting for 51 percent of music sold over the period. Adjusted for GDP, however, Sweden takes the top spot — followed closely by Britain. Despite fears of pernicious cultural Americanization, more people around the world are listening locally: Foreign artists now account for just 30% of each country’s pop hits, down from about 50% in the 1980s.

— **Joel Waldfoegel & Fernando Ferreira, Wharton School**

Men waste thousands of dollars of fuel because they refuse to ask for directions when lost, according to a British study. The research, commissioned by British insurance company Sheilas’ Wheels found male drivers travel 444 unnecessary kilometres each year because they reject help when lost.

— **AOL News**

Half the world’s population is now urban — and half the world’s most global cities are Asian. The 2010 Global Cities Index, a collaboration between Foreign Policy, management consulting firm A.T. Kearney, and The Chicago Council on Global Affairs, reveals a snapshot of this pivotal moment. In 2010, five of the world’s 10 most global cities are in Asia and the Pacific: Tokyo, Hong Kong, Singapore, Sydney, and Seoul. Three — New York, Chicago, and Los Angeles — are American cities. Only two, London and Paris, are European. And there’s no question which way the momentum is headed: Just as more people will continue to migrate from farms to cities, more global clout will move from West to East.

— **The Global Cities Index 2010, Foreign Policy, August 2010**

A study by the Mapping America project has found that children have fewer behavioural problems at school and home when they live with both biological parents and attend church frequently. They are five times less likely to repeat a grade, and more likely to be cooperative and understanding of others’ feelings.

— **www.creation.com**

Falling donations plagued charities this year at the same times as demand for their services boomed, a new survey shows. Four in 10 charities experienced falling donations in the first five months of the year, compared to the same time a year ago, as the number of donors declined, individuals gave less and corporate gifts and private grants were smaller. A smaller three in 10 experienced an increase in contributions, according to a survey released this week by GuideStar USA, Inc., which collects information on nonprofits. Donations remained about the same for 28% of charities.

— **Wall Street Journal, August 18, 2010**

EVR

“People are willing to take a big step if there is a crisis.”

— **Pascal Couchepin (former president of Switzerland)**

“I have witnessed the tremendous energy of the masses. On this foundation it is possible to accomplish any task whatsoever.”

— **Mao Zedong**

“The more corrupt the state, the more it legislates.”

— **Tacitus**

Civilization and anarchy are only seven meals apart.

— **Spanish proverb**

“When the capital development of a country becomes a by-product of the activities of a casino, the job is likely to be ill-done.”

— **John Maynard Keynes**

“Before money or anything else. Money cannot buy it. Because a man I do not trust could not get money from me on all the bonds in Christendom.”

— **J. Pierpont Morgan**

EVR

Today, in our late state of mechanization (dependent upon the internal combustion engine powered by oil) we are prone to simply assume that such conditions will exist at that future time. However, the Bible is rather silent on this matter, only suggesting alternate possibilities by inference or insinuation. Why would the Euphrates need to be dried up for kings to cross if they could simply traverse by taking a boat or a bridge? Why is only the word for "horses" mentioned in Ezekiel 38 and 39? It is literally speaking of cavalry, not motorized machines. Other prophesies, when dealing with visions that are difficult to understand by the prophet, may use a literal term such as "horse" but clearly indicate that a real horse is not meant. For example, see Revelation 9:17 where horses are mentioned, but their description clearly indicates that something else is in view. Therefore, it could very well be that much of modern technology has been incapacitated by the time of the events in Revelation 16:12. All of these points make for interesting consideration. Most probably, for those taking a pre-tribulation Rapture view, all of these possibilities and speculations are likely irrelevant. Neither do we need to live in expectation of these events (certainly those mentioned in Ezekiel 38-39 and Psalm 83) nor does the timing of Lord's second coming (and the Rapture) hinge upon them. Again, thank you for prompting discussion on these points.

READER: I've read that a strict literal interpretation of the "kings of the east" is "the kings of the rising sun." Could this mean that Japan will eventually play a major role in the end times? What do you think? —**H.H.**

EVR: The term "rising of the sun" is often used in the Bible (i.e. Zechariah 8:7) when referring to the east or things of the east ... i.e. people of the east. As such, there would likely be no specific linkage in this expression to the Japan of today, which is popularly called the Land of the Rising Sun by those living in the West. In my view, in terms of playing a role of one of the 10 kings (mentioned in Revelation 17) Japan would fall under the exclusion found in verse 12. In my interpretation of Revelation 17:12, Japan cannot be a candidate for the 10-king coalition. This verse reads, "The ten horns you saw are ten kings who have not yet received a kingdom, but who for one hour will receive authority as kings along with the beast." At the time that Apostle John wrote this in prophecy (late, late in the first century) Japan appears to have already been a kingdom. Archaeologists today identify the Yohoi period of civilization having existed in Japan as early as 300 BC, lasting to 300 AD. If that is correct, Japan would be disqualified as being part of the group of "10 kings" that achieves and/or assists in the domination of the world. However, Japan may number in that group that the Bible identifies as the "kings of the east." Possibly, this group may arise in protest to the

heavy-handed rule of this 10-nation power coalition or that of the Antichrist. We can only speculate and therefore have no answers to these intriguing questions. (For more views on the 10 kings, we invite readers to access a MS PowerPoint presentation as well as several articles that have been posted on the topic to our website.)

READER: I've been reading the *Eternal Value Review* for some time now. Your expertise and efforts to explain what is happening in today's volatile world in light of the Bible are greatly appreciated. A few months ago you drew our attention to the use of SDR's. It appears now that momentum in this direction is increasing. Now some are suggesting that the "bancor" replace the dollar as the global currency. I look forward to further articles on this new development. — **T.S., Saskatchewan**

EVR: Much is indeed unfolding in the world's money systems, both at the domestic policy levels as well as international. Not only have various nations embarked upon re-regulating their financial institutions, new initiatives have taken place at the International Monetary Fund (IMF), new global committees have been formed, and the Bank of International Settlements (BIS) is now determined to deliver its massive new blueprint for the world's banking systems. However, the net result of all this is much the same. The world financial franchise remains a protected and elite business, the golden goose whom no one dare kill. Initiatives taken to date pretty much reveal that the financial industry remains the world's head and not the tail ... and this, despite the fact that their speculative and greedy practices required enormous bail-outs, nearly causing an entire financial collapse. As a result, another global crisis will again transpire ... and probably before the next decade is out if not much sooner. [In the near future, we plan to publish an update on the evolution of world money systems and their strategic endtime roles. As a preparatory background, we have included a 2009 article on the topic of a "one-world currency" as this issue's *Feature Report*.]

READER: Could you please let me know your view of Harold Camping's teachings ... May 21, 2011 being the date of the Rapture, the Tribulation starting in 20181, 2011 being 7000 years from the Flood, ... etc) ? — **D**

EVR: We are not familiar with Mr. Camping's views and therefore cannot comment in any detail. If he is predicting specific dates for certain pre- or intra-tribulation prophetic events, we would approach any such views with great scepticism. Over the last two millennia, all date-timers have either been proven wrong or not yet proven correct. This makes for a rather blemished and unreliable track record.

READER: I wish to first state that I have no dog in this

fight as to whether or not the “revived Roman Empire” mantra is or is not full of hot air. I could care less one way or another because God is in charge. Furthermore, whether there is or is not a Rapture (and after being a pre-tribber for all of my Christian life I can at least admit that I am now uncertain as to whether or not there is a Rapture) is also of no concern to me. Again, God is in control, and whether there is or is not a Rapture has nothing to do with the urgency of leading others to Christ. The urgency is the same regardless. What I do find most interesting is the degree to which present day pre-tribbers and post-tribbers begin to squirm, equivocate, rationalize and bend their models once their models begin to wither under the pressure of unfolding human events, all for the purposes of protecting the integrity of God’s Word in the eyes of the “flock.” Mr. Hahn, don’t you find it the least bit curious that today’s biblical scholars find their very interpretations of God’s Word synonymous with His immutable Word? Think about that for a moment. Has it ever occurred to any of you guys that maybe, just maybe, your interpretations might be wrong, and that if your interpretations are wrong that this in no way condemns God’s Word, nor does it relegate God’s Word to the dung heap of fanciful fiction? God’s Word is perfect, and His Word will accomplish what it says. For God’s Word will never return to Him void, without accomplishing itself. However, that does not mean that His Word is easy for humans to understand, what with our limited intellects and the mysterious nature of a good percentage of God’s Word. I just think a little humility in the face of so profound and Holy a piece of literature as the Bible is in order. Let God be true and every man a liar (including prophetic scholars).— TC

EVR: We do appreciate your note even though it takes an accusatory tone without documentation and implies deep contradictions. Firstly, I do agree that many topics of popular debate in Christian circles amount to wind and devotion to “myths and endless genealogies: These promote controversies rather than God’s work — which is by faith” (1Ti 1:4-5). You may in fact be reacting to people that themselves “prophecy” when interpreting Biblical prophecy. I would share the view that we should let the original Prophets do the prophesying. But why do you suppose that God, in his Wisdom, gave us the Bible in its entirety, both the Old and New Testaments? Why is so much of Scripture challenging and written in the words given to Prophets (according to some estimates, as much as one-third of the Bible)? Of course, we hold them to be true and consider them God’s immutable Word. In your opinion, just which sections of the Bible should be read and interpreted and which parts not? You appear to suggest that since some parts of Scripture may not be understood or difficult to interpret that we should therefore not read them. One section of the Bible that we can deduce that you have not read is this: “And we have the word of the prophets made more certain, and you will

do well to pay attention to it, as to a light shining in a dark place, until the day dawns and the morning star rises in your hearts” (2 Peter 1:19). The Bible says that we “will do well to pay attention to it.” You imply that since some things in the Bible may be difficult to understand correctly, that our attempts to interpret them somehow stand on the same level of Scripture. This is ludicrous, especially as you have not cited any such examples to support your allegations. I would agree with your statements about the primacy and inerrancy of Scripture ... that someday we no longer will “[...] see but a poor reflection as in a mirror; then we shall see face to face. Now [we] know in part; then [we] shall know full” (1 Corinthians 13:12) and that all God’s pronouncements will be fulfilled to the letter. But does this mean that we should not open this Book and read all of it? And who would read without attempting to understand? That would not be reading. Tens of times, Scripture calls us to “understanding.” “The fear of the Lord is the beginning of wisdom; all who follow his precepts have good understanding” (Psalm 111:10). “Blessed is the man who finds wisdom, the man who gains understanding” (Proverbs 3:13). In fact, God even gives us understanding. “Who endowed the heart with wisdom or gave understanding to the mind?” (Job 38:36). For what reason? He “[...] hath given us an understanding, that we may know him that is true” (1 John 5:20). I would most welcome any examples of us presenting our interpretations as “Word synonymous with God’s immutable Word” or “speculations” that our ministry has written or distributed that were not clearly labelled as “opinion” and therefore “reader beware.” We do frequently state that any opinion that goes beyond what Scripture actually says, and cannot be empirically proven, must be considered as “speculation.” Any examples you could provide would at least establish a proven basis for you to include us in your rather sweeping indictments. Let God be true and every man “seek understanding” as they read the immutable Scriptures.

READER: I was reading your article on the European Union and the Roman Empire. While doing so, ten countries came to mind that are somewhat joining in alliance right now; however, they are not in Europe. They do control a lot of oil reserves. I would not think these are the countries in question, but the number does conveniently equal ten —Egypt, Syria, Lebanon, Turkey, Afghanistan, Iran, Iraq, Pakistan, Yemen, and Saudi Arabia. — K.F.

EVR: There are indeed some who do hold the view that all of 10 countries (10 kings mentioned in Scripture in Revelation 17 and Revelation 7, as well as several other times through symbol) will all be predominantly Muslim/Arab. However, if we consider all the criteria for the final ten nations (kings), this theory does not meet all of them.

Certainly, some of the final 10 kings could be Islamic. But again, for this to occur, we would need to see some dramatic world geo-political shifts that would allow sufficient imperative for both Muslim and Western nations to come together into a happy and congenial group of ten. This group would need to be unified in the objective of giving their support and authority to the Antichrist. This seems rather unlikely by the light of today. However, we cannot conclusively prove that this could not happen in the future. Among a number of other reasons why the “Muslim/Arab theory” (using the list of nations that you cite) is unlikely, is the fact that Iran also falls under the exclusion mentioned in Revelation 17:12. [This verse was quote in a previous reply in this section.] Iran had already long existed by the time that Apostle John wrote the Apocalypse. In fact, Iran itself (along with Media) represents one of the heads on the beast that is depicted with 7 heads and 10 horns in Revelation 12, 13 and 17. A country cannot be both a “horn” and a “head.”

EVR

Gold: A Religious Investment?

... cont'd from back page

Money Syndrome.” Frankly, a lot of gold bullion is sold to investors by so-called Christian advisors using this very premise.

Having this opinion apparently is not popular in certain Christian circles. Late last year, Gary North, reading my opinion in a secular forum, wrote a polemic in which I was referred to as a “gold-hating Christian advisor.” Apparently, it is a heinous crime to have both balanced buy and sell opinions on gold. It did not escape notice that a double-standard seems to apply to advisors that are purportedly Christians. In professional circles, were one to disagree with someone else’s opinion on an economic or financial matter, one would try to substantiate one’s opposing view empirically, if at all possible. It would be in poor taste to try to discredit an individual’s view by reference to his/her religious beliefs. Frankly, never before have I encountered a charge of an unforgivable “hate” crime being perpetrated because of an investment opinion.

Returning to the topic of the investment-worthiness of gold, there are two potential vulnerabilities to gold over the long-run that should be kept in mind. Firstly, it is not an interest-bearing asset for the private investor. Many other investments at least offer an interest-rate or a dividend yield. This must be factored into the return calculation. For the average buyer, therefore, an investment in gold bullion can be somewhat of an inert holding. Secondly, it must not be forgotten that the world’s monetary systems are manipulated; its powers fiat, contrived and corrupt. There is no reason why the use of gold cannot be legislatively curtailed at some point in the future. As it is even now, it cannot be used as money in any store. Many people (remarkably, many

of them Christians) imagine that gold is a good investment because it will also be accepted as a transactional metal and therefore will prove to be a good store of wealth. This is not a sure bet nor are such desperate conditions likely this side of the Tribulation, certainly not given the current late state of world interconnectedness and globalization.

In fact, the Bible tells us that a time will come when commerce—the act of buying and selling—will be controlled worldwide. This facility will be invoked at some point during the Great Tribulation period by an evil personage.

Accordingly to the Bible “[...] he causeth all, both small and great, rich and poor, free and bond, to receive a mark in their right hand, or in their foreheads: And that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name” (Rev. 13:16–17). These measures surely imply that a barter economy (buying and selling things by trading them outside of the financial system) will have already been banned at that point. A system will be in place that can selectively exclude anyone from an economic transaction. Will this regime be based upon gold? Hardly. It would not be possible to control world commerce through the use of gold either today or in that future Tribulation period.

Then just what type of system would best offer the ability to control “buying and selling”? Would a regime like the modern-day fiat, electronic, central-reserve-based monetary system be any more conducive to controlling the world’s “buying and selling”? Actually, it is already made exactly to order.

Of course, we have no idea as to the exact timing of events concerning gold, either those prophesied in the Bible or those being considered by the world’s supra-monetary and economic authorities. In any case, pre-tribulation Christians will already have been raptured by that point. One thing seems sure from Scripture: The world’s final monetary system will not be based upon gold.

In conclusion, a modest investment in a gold-related investment is reasonable. However, to repeat, the best approach to stewarding investment assets is to remain diversified amongst as broad a range of assets-types as possible. As research clearly shows, the average investor is too prone to being pulled into investments (psychologically) at the wrong time, only to also exit at inopportune times.

Booms, bubbles and busts will continue. All the while, the wealth skew of the world continues to widen ... the rich becoming wealthier, the rest poorer and more indebted.

EVR



Personal Perspectives

Gold: A Religious Investment?

Gold bullion is again in the limelight, recently again hitting new highs in USD terms. We continue to get questions as to whether gold would be a good investment. For example, “I have read your book, *Global Financial Apocalypse Prophesied*, but still cannot determine if you think physical gold is the investment of choice for these days. Would you please comment on this.” As we have already provided a detailed comment on this metal in the December 2009 issue of *EVR*, we here provide a short update.

As readers will already know, I do not wish to stake *EVR*'s reputation on specific investment opinions, instead focusing upon applying Biblical perspectives to world “money” developments. I do not know of anyone who has consistently been proven correct in providing investment opinions on specific investments. No such person exists. Everyone is fallible ... especially, of course, when trying to predict the future. I make incorrect judgments about markets and economies frequently. Any reference to my opinions expressed in secular publications would quickly prove that point.

My repeated counsel to investors who have assets to steward, is to broadly diversify one's investments across as many asset-types as possible, as well as globally. For the far majority of people, this is the safest approach to take. Yes, there definitely will be investments from time to time that appear more attractive than others. Though that may be the case, the average individual investor will likely not succeed in generating consistent gains. There are many reasons for this (for which we do not have sufficient space to explain).

This one fact investors should never forget: The “love of money” (1 Timothy 6:10) is the greatest vulnerability of all mankind. It is at the very root of all evils, as the Bible clearly outlines. However, in practical terms, what does this actually mean? It signifies that a godless world will make “Money” (or Mammon as identified in the King James Version) its god and object of worship and aspiration. That means that there are 6.8 billion people in the world today, that are either vulnerable to, or committed to, doing anything possible to “get money.”

Money is therefore the nexus point of the most competitive and brutally corrupt arena that exists in the entire universe. This thorny thicket is what any investor is up against when they enter the modern world of money

and financial markets. Despite that there are supposedly many regulatory bodies and consumer protection agencies around the world who seek to keep the “animal spirits” of money in check, massive financial busts, elaborate thefts and grand lying and cheating in high places will continue (and worsen). In fact, the Bible states this to be the case, even prophesying that such global conditions would be a “sign of the times.” This being the condition of the world today, no specific investment opinion can be sure, nor any one outcome can be guaranteed. Conditions can change rapidly and without warning. The vast majority of investors are therefore no match for the “experts in greed” that serve to brutally rig the global money casino.

We repeat the question: Should I invest in gold? Without being coy, my answer is that gold is a good investment ... from time to time. There are times to own it; other times not. Telling the difference surely tests the skills of the most proficient investment strategists. I surely have no reliable insight into the matter, though I have indeed advocated above-average positions in gold bullion and gold-related shares in global, balanced portfolios over the past 4 or 5 years. It should be noted that these are “globally balanced” portfolios ... meaning widely diversified. Even as a professional Chief Investor Officer, my insights and opinions are not sufficiently reliable to warrant sticking all the “eggs” into any one basket.

Despite the hyped fears of currency debasement and an outbreak of inflation on the horizon ahead, long-term government bonds have outperformed bullion by a good margin most of this year (yes, even those of the U.S., a country which still has a federal government budget deficit over 12% of GDP). Looking ahead, given the incredibly unprecedented and desperate conditions around the world, anything is possible ... including a run-a-way stock market. (*Please see this issue's World Money Update for an overview of these conditions.*) Gold's rise over the recent years has not been extraordinary. That said, I have continue to hold an overweight positions in “globally-balanced” portfolios, but with an itchy finger. Gold is most likely in a bubble phase at present.

All the same, I am not a “gold-phile” ... in other words, one persuaded to see gold as the ultimate money, the sure solution to all of mankind's monetary problems and corruption. The historical record does not support this conclusion. In my view, many people seem to hold a near-sacred view of gold; with a fervent religious zeal that is beyond reason — what I have called “God's

... continued on page 11



ETERNAL VALUE REVIEW
WWW.ETERNALVALUE.COM