



ETERNAL VALUE REVIEW

MONEY MONITOR & GLOBAL TRENDS REPORT

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"For thinking Christians seeking to understand the times."

DECEMBER 2014

FEATURE REPORT

National Accounting: Last-day Global Idol

A big disappointment occurred earlier this year. It was the report that the U.S. economy suffered a huge negative setback in the first quarter of 2014. Economic growth (as measured by the concept of Gross Domestic Product, or GDP, for short) purportedly shrank at a rate of minus 2.8% during that period.

Economists were shocked. They had held an optimistic view for 2014. They thought the year had begun auspiciously. Nevertheless, they were proven embarrassingly wrong. But by whom? Just who makes such determinations? What does GDP really measure, and why would anyone care?

Financial observers, investors, the business media and others slave over every twitch and tweet of economic statistics. In the case of GDP, any sign of a pick-up in the pace of growth is usually exuberantly celebrated. A difference of a few tenths of one percent in an estimated growth rate can cause stock and bond markets to soar or fall. The slightest wiggle is treated with great significance. Quoting one commentator, "The quarterly release of GDP statistics is more akin to a religious service than anything resembling a scientific study."¹

Given this hyper-sensitivity to GDP statistics, you may be surprised to learn that the GDP estimates (and also other economic statistics) are highly unreliable and subjective.

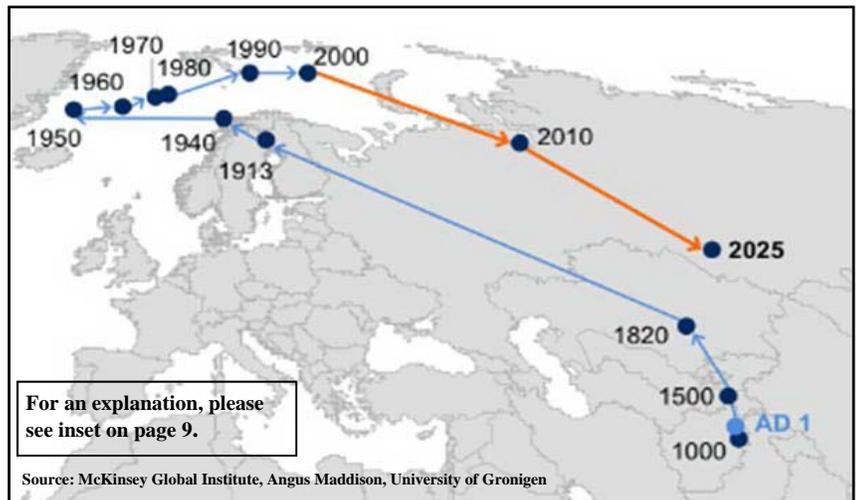
Did you know that Gross Domestic Product is a very modern invention, finding its roots as recently as the 1920s or so? How was it possible that humanity was able to survive without such a concept before that time?

Furthermore, did you know that National Accounting made possible the idolatrous macroeconomics and financial wealth

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Global Shifts: Endtime Implications for 10 Kings?

Economic-weighted center of the world moving back to Asia.



For an explanation, please see inset on page 9.

Source: McKinsey Global Institute, Angus Maddison, University of Gronigen

"Shall I acquit someone with dishonest scales, with a bag of false weights?"

— Micah 6:11

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WORLD MONEY UPDATE

Explained: In the Grip of Deceiving "Money Finance"

We have had a number of requests to explain the significance of "money finance" policies which we have been writing about frequently. Most recently, we had commented upon an incredulous article, "Print Less but Transfer More: Why Central Banks Should Give Money Directly to the People," which was published in *Foreign Affairs*.

This issue we will indeed provide some explanations...and what a timely occasion it is. To the apparent surprise of the entire world, Haruhito Kuroda, Head of the Bank of Japan (BOJ) announced a huge increase in Japan's "quantitative easing" (QE) program just recently. It was stunning...and reckless. This nation's central bank is now inflating its balance sheet at an unprecedented rate of 1.6% per month. That would be three times the intensity of the recently-ended QE program of the U.S. Federal Reserve. In fact, the BOJ will be buying up assets equivalent to the entire new issue of its deficit-running government.

... continued on next page

Yes, but what does that all mean? Why is this significant? We will keep our answers as simple as possible. There are a lot of technical details and orthodoxies when discussing monetary matters. For our purposes here (as we are not expressly tangling horns here with dyed-in-the-wool economists) we will ignore these for the most part and instead focus on the essence—and real impact—of these policies.

Therefore, in essence what is happening is that central banks are effectively creating claims on money. Whenever money is created without a corresponding increase in value (perhaps savings or wages in the private economy) it signifies an illicit transfer of wealth. Someone or some entity somewhere is getting something for nothing. Who receives this free money will depend on the nature of the “money finance” program and through what monetary channels it will pass.

For example, consider what the U.S. Federal Reserve has done over the past several years. It has purchased assets (mostly government bonds) in the open marketplace. When it does so, it increases its holdings of these bonds and pays for them with a credit to a commercial bank’s reserve account. This deposit is effectively an I.O.U. and is held in cash equivalents by a receiving bank. Should the U.S. government continue to have a large budget deficit (meaning that it is issuing new bonds virtually continuously) and the central banks keep buying these bonds, never to sell them again, effectively a huge cash increase has been created from nothing.

Just what does the central bank do with all the bonds that it buys? It holds them and collects the interest. What does it do with this income? At the end of every year, it gives its profits (interest income less its operational costs) back to the U.S. treasury. What therefore has happened? The U.S. government effectively pays zero interest (net) on its debt. Currently, there are approximately \$12.5 trillion in outstanding liabilities of the U.S. federal government. However, some \$2.4 trillion of these are owned by the U.S. central bank on which it effectively pays zero interest (after

netting interest payments with the profit refund from the Federal Reserve). As such, looking through this room of mirrors, the U.S. government debt load is approximately 20% less than popularly perceived.

However, many central banks and macroeconomists bemoan the fact that this type of central bank largesse has not proven effective in boosting economic growth rates. They argue that there is “shortage of demand” (a lack of want) for people to want to borrow money and spend it. Sure enough. Then what would be the solution? Here come the recommendations of more powerful types of “money finance.” Rather than have “created” money sit idly in bank reserve deposits, why not give it directly to someone who will be sure to spend it? Why not credit money directly to households (literally, money credited to one’s bank account) or directly finance government spending. Why bother issuing government bonds only for the central banks to buy them? Why not have the central bank write cheques directly to the U.S. Treasury? Governments and lower-income households have, as economists say, a “high propensity to spend.” If you give them free money, they are likely to spend it. Wouldn’t that boost economic growth? Yes, most likely this would be the case. For a time, economies could boom. However, there is a huge price to this “funny money” program that few acknowledge.

What is the problem with these inventive monetary policies? Aren’t these wonderful if by a stroke of a pen, something can be created out of nothing and economies will again be spurred to growth?

Again, what cannot be disputed here is that money purchasing power is being created out of nothing (ex nihilo) and is given preferentially to a spender. They did not earn this money. As such, a major wealth transfer is mobilized. Wealth distribution becomes more concentrated. This new money (translated into demand for goods and services) then eventually goes into the pockets of businesses and other factors of production for the most part. Corporate profits boom and their shareholders then benefit. However, securities wealth such as equities are largely owned by the wealthy. Therefore, their wealth increases substantially both in terms of income and value of their financial asset holdings.

But, let us go back to the beginning of this fraudulent money chain. What has happened to the household or government that spent its free money? Its money is gone. It is now sitting in a profiteer’s bank deposit or a financial security. Furthermore, because price inflation will likely have been kindled through a boom in demand (affecting the prices perhaps of everything from commodities to services and wages), the relative spending power of households’ income will be depreciated.

This cycle of transactions—more “money finance” injections to spur demand upon more injections—can continue for some time before the side-effects become crippling and toxic. Wealth becomes even more centralized...a global elite of ultra-wealthy becomes ever more wealthy. The cost of some things may become



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extremely expensive relative to the average household's income. Ultimately, this fraudulent regime must collapse. But when?

No one can know this answer with any specificity. How soon could a bust happen? It depends on how willing mankind is to be deluded, how desperate they may become, and how badly they will want to believe a lie. Taking a Dispensationalist perspective, the final and ultimate financial crash will not occur until the upcoming Tribulation period. Until that time, financial systems will be resuscitated and manipulated, though highly unstable. There is no other choice for policymakers once they have entered upon the slippery slope of deceit and monetary immorality.

Are the trends we see today the precursors of the conditions that the book of Revelation prophesies? Very likely, yes. Of course, we are provided no insights as to specific timing. That price of basic food will become so expensive that it will require a full daily wage (in at least some parts of the world, see Revelation 6:6) could plausibly be one of the consequences of runaway "money finance" policies that we have discussed. There are other conditions prophesied. In the end, however, both the poor and the wealthy will lose it all (including their souls, Revelation 6:15, 13:6) at that future time.

National Accounting: Last-day Global Idol

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worship that has possessed our last-day world today? It makes for an eye-opening story.

GDP: What Is It?

Allow us to explain the significance of GDP.

To be sure, economic statistics have existed for generations, most certainly in the form of business and transactional details. These types of records go back to ancient Babylonian times, often making up the bulk of documents that have been unearthed.

However, never before was there invented a systematic approach to measuring the total value of human activity and output (whatever the definition) in terms of a "money value." Perhaps a silver trade guild may have attempted to record the sales volume of figurines of Artemis (see Acts 19:4-29) but no one thought to try to estimate the "value added" of this production and to equate its overall contribution to the total money value of Asia Minor's output.

GDP is a concept born out of the invention of national accounting. Going back to its roots, Russia, a communist country, developed national output tables in the 1920s. However, its primary goal was to measure economic efficiency rather than its value in financial terms. There was no concept of "moneyness" of human activity.

Later, beginning in the 1930s, the National Accounts System was first developed in the United States. Simon Kuznets—he the reputed discoverer of the Kuznets Cycle—was one of its influential contributors during that early period.

Crucially, national accounting was then rapidly adopted

in other countries. Many countries saw the benefit of such a calculation. It was an era in which it was increasingly recognized that economic size (in terms of money GDP) was a form of power and might. By 1952, the United Nations had published a guideline called *A System of National Accounts and Supporting Tables*, thus introducing this standardized system to the entire world. This first guide was 50 pages long. The latest edition has 722 pages.

Today, every country in the world has its economic output measured (even if not by its own statistical agency). Not all nations follow the same exact rules, some of these proving to be quite arbitrary, as we will show shortly. However, transnational organizations such as the OECD (Organization for Economic Cooperation & Development), International Monetary Fund, United Nations, World Bank and many other global organizations work to harmonize their presentation of international statistics.

Today, the value of the economic output of the entire world is estimated. For example, according to the World Bank's "current nominal value" definition of Gross National Product, total world economic output in 2013 was estimated at \$74.3 trillion expressed in U.S. dollars. This statistic would have very little meaning to most people. Nevertheless, it provides an anchor to the sense of value...the extent of wealth...the possibilities of even greater and unlimited wealth in the world.

Just why was it seen as desirable to measure the output and activity levels of all humanity in terms of money? And, why was this national accounting convention so readily adopted in the first place? It seems to be such an unruly and unscientific concept, specially as the value of money itself down through history has been such a volatile and unreliable specie. It is one thing to record human activity; it is another to value it in money terms.

In the beginning, a main purpose of national accounting was to better manage employment levels (responding to the high unemployment levels in the U.S. during the Great Economic Depression of the 1930s). This would seem to be a worthy motive.

And, of course, all governments are eager to find tools to help them better assess their taxation base. This motivation, too, seemed innocuous and transparent, though perhaps not necessarily eagerly welcomed by the citizenry.

As we will show, the world has since traveled a long way down the slippery slope of "moneyness."

Metaphysical Money & Idols

National accounting over time gave rise to an apparition of Money. (We capitalize this word, as we are wanting to reference an entity with spiritual dimensions and human affections. We do the same for Mammon.)

The GDP figure became a comparative measure between nations and provided the infrastructure that supported new concepts of financial wealth and the shaman arts of macroeconomics. Eventually, the GDP statistic took on the mantle of Mammon, a source and giver of prosperity and the foundation upon which mankind translated its world into smug wealth. Humanity came to see itself as a self-determinant creator of wealth. "The Economy" took on a life

of its own.

Today, virtually everyone depends on the concept of “The Economy.” For example, a person may say: “If the economy picks up, I might buy a car.” In a sense, the concept of “money” GDP has become a type of prosperity god.

Viewed technically, national accounting has served as a launch pad to a highly-sophisticated, debt-based system of ownership and capital valuation, giving rise and foundation to a massive edifice of wealth, riches and splendor. Seen in the aggregate, this great big measurable pile of wealth—the ups and downs of which are reported in minute-by-minute detail—has become an idol.

Taking a literal, Biblical worldview, we would venture further to say that humanists, intent upon creating an earthly security and self-determination without God, would see national accounting as a necessary and ideal anchor for the materialist agendas mounted against God.

Their perspective is diametrically opposite to that of the Bible. Said King David: “Yours, O Lord, is the greatness and the power and the glory and the majesty and the splendor, for everything in heaven and earth is yours. Yours, O Lord, is the kingdom; you are exalted as head over all. Wealth and honor come from you; you are the ruler of all things” (1 Chronicles 29:11-12).

Idol Identification

The Bible has a rather humorous definition of an idol. Essentially, it is anything in which mankind places its hope and faith which proves itself unreliable and subject to “totter” and “topple.” There are numerous Bible verses that reflect this perspective, and we have quoted them often.

The Bible says that an idol is any object of human reliance that is vulnerable to toppling. For example: “A man too poor to present such an offering selects wood that will not rot. He looks for a skilled craftsman to set up an idol that will not topple” (Isaiah 40:20).

Isaiah tells us further: “The craftsman encourages the goldsmith, and he who smooths with the hammer spurs on him who strikes the anvil. He says of the welding, ‘It is good.’ He nails down the idol so it will not topple” (Isaiah 41:7). Jeremiah, too, made the same observation: “[...] they cut a tree out of the forest, and a craftsman shapes it with his chisel. They adorn it with silver and gold; they fasten it with hammer and nails so it will not totter” (Jeremiah 10:3-4).

We may well ask, why worship something that we ourselves must prevent from toppling with our own hands? That surely is the case with financial markets. Our society worships soaring financial wealth (as false as most of it may be), but these markets repeatedly “totter” and “topple.” We then want policymakers to prop them back up.

Policymakers are working hard to fasten and nail down systemic financial risks. Organizations such as the Bank of International Settlements (BIS), the Financial Stability Board (G20) and the central banks of many countries are rigging and reforming guidelines in the hopes that this will prevent their idols from tottering and toppling over again. On what kind of foundation are these idols perched?

Tottering GDP

At the outset, we stated that national accounting statistics are “highly unreliable.” It is a most arbitrary of concepts, constantly being changed and adjusted. Gross Domestic Product is grossly inaccurate and highly subjective.

Consider these following examples of “reliable” national accounting:

Nine years ago, China decided to update a number of assumptions in its national accounting methodology. As a result, it reported that the money equivalent of the Chinese economy was actually 16.8% larger than they thought. Virtually overnight, the Chinese economy was recognized to be much bigger on the world scene, becoming the 4th largest economy in the world in 2006. A stroke of a pen and voila, China’s GDP was worth hundreds of billions more! Many changes have been made since, another new draft of its accounting methodology being introduced only a few months ago.

While China’s 1998 revision counts as one of the more radical examples, the fact is that all countries change their national accounting rules very frequently (including advanced nations). Almost always, these changes serve to amplify the reported growth rate.

In the late 1990s, Japan decided to adopt “hedonistic” accounting principles, similar to the U.S. practice. (Loosely defined, this a technical term that refers to estimates of changes in consumer preference and benefit.) This change substantially boosted the level of reported GDP for Japan. After having experienced depression-like conditions for a decade or so, this stroke of a pen made comparative economic growth look better for a time. Its politicians will surely have preferred these “rosy-looking” numbers.

Prostitutes Add to GDP

Other examples of changes in the definition of GDP (of which there seem to be no end) show how politically and morally influenced is this statistic. Recently Sweden decided to count gambling and prostitution as activities to be added to the national output. The net result was to modestly pump up the size of this country’s GDP.

As of September 2014, all European Union countries are required to provide accounting estimates for trade in sex, drugs and other underground activities. This is part of an overhaul of economic measurements by Eurostat, the European statistics agency. These changes will boost reported GDP. Spain, for example, estimates that including prostitution will add some \$20 billion to the size of its economy. (The “Mother of All Prostitutes,” clothed in finery and emblematic of wealth, shown in Revelation 17 seemingly finds kinship here.)

Were Italy to include all black market activities and the valued-added of the Mafia, would it then be the second-largest European economy behind Germany? This would be one way of improving Italy’s high debt-to-GDP ratio! On a serious note, readers will acknowledge the gamesmanship that can apply to national accounting. The rules of its computation are highly confusing.

For example, quoting from a recent book by Diane Coyle², “If you pay someone to mow your lawn and report wages paid, that adds to GDP. If you pay that person under the table, it doesn’t. If you pay your maid to clean your house, it adds to GDP. Except if you marry her, then it doesn’t. Unless of course she gets access to the credit card, in which case spending probably increases GDP dramatically. In England, sex with your wife does not add to GDP, but sex with a prostitute does—even if it is unreported.”

Surely the U.S. is above such fickleness. No, the same banality applies.

Rewriting Economic History

Consider next how unreliable reported GDP statistics are, even in the largest economy in the world! To illustrate, let us track the GDP report for the third quarter of 1990. The original report claimed SAAR (seasonally adjusted annual rate) growth of 1.8%. That pace would seem reasonably positive, though slow by the standards of that era. But wait. Extensive revisions followed.

Two years later, the estimate for growth in this quarter was changed to a negative 1.6%. What was first thought to be a positive growth, and was surely received as such by financial markets and voters, had actually been negative by the light of future opinion. In effect, history had been rewritten. But that is not the end of this statistic. It continued to be revised repeatedly. Finally, some ten years later, the growth estimate for this period settled in at a near-zero rate.

Analysts who relied on these “tottering” statistics would not have been able to draw any reliable conclusions. In fact, they would have been misled. We repeatedly find GDP statistics of 30, 40 or more years ago that are revised. It makes a mockery of economic analysis.

The banality of the statistical games that nations play with their national accounting is plain to see.

Economists have long agreed that GDP is an imperfect measure of well-being. Few people are actually happier or more content though reported GDP may continue to grow briskly. This calculation is therefore of a very narrow dimension, and does not take into consideration the social costs (e.g. the cost of pollution), the impact on human relationships, or various non-market transactions.

GDP is clearly a Money number, nothing much more. It is rickety, wobbly and misleading.

Nevertheless, Mammon must be supplicated. Financial market participants today continue to treat newly-reported GDP statistics as from the mouth of an oracle.

Points to Ponder

Most certainly, the National Accounts System has its useful applications. Yet, it has served as a launch point for a humanist world that is intent upon globalism; led to the further capture of all mankind’s activities in a financial net; and fabricated an enticing boom in worldwide financial wealth.

We conclude that the common denominator of all human activity and philosophies is increasingly the metaphysical entity of Money...an idol that is held in great reverence.

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Signs of the Times



Fulfilled: Rumors of War Rising – Part I

In past publications we have reviewed the Bible prophecies relating to earthquakes. We concluded that a rise in the frequency of earthquakes still lies ahead for the world and moreover, that there are two distinct groups of earthquakes that are yet to occur. Firstly, there is the heightened earthquake activity that unfolds in the first half of the Tribulation period. These quakes are the ones mentioned by Christ in the Olivet Discourse (“earthquakes in divers places,” Matthew 24:7, KJV). Secondly, there are five earthquake occurrences mentioned in the Book of Revelation, all of which follow the 5th seal, therefore falling into the Great Tribulation period (namely, the latter 42 months of the 7-year Tribulation).

The Olivet prophecies mention other endtime phenomena occurring besides earthquakes. When the disciples asked Christ, “When shall these things be?”, He said the following: “And ye shall hear of wars and rumors of wars: see that ye be not troubled: for all these things must come to pass, but the end is not yet. For nation shall rise against nation, and kingdom against kingdom: and there shall be famines, and pestilences, and earthquakes, in divers places. All these are the beginning of sorrows” (Matthew 24:6-8, KJV).

All three accounts of the Olivet Discourse or portions thereof (found in Matthew 24, Mark 13 and Luke 21) confirm the future occurrence of earthquakes, wars, rumors of war, pestilences, and nations rising against nations and kingdoms against kingdoms.

We observe then that war-related events figure very prominently. Both “hear[ing] of wars and rumors of wars” and “nation rising against nation, and kingdom against kingdom” are mentioned. Just when do these occur, and what is the difference between these two indicators of global strife and conflict? We want to more clearly emphasize the timing and the different nature of these two phenomena.

Difference Between Wars and Nations Rising

The timing and the roles of the two signs of “hearing of wars and rumors of wars” and “nations rising against nation” are very different. They do not refer to the same endtime phenomena for at least two reasons.

First, they occur in different time periods. To illustrate this observation, we must note that Christ clearly partitions the Olivet prophecies into three separate time periods: 1. That which is before the “end” comes (“the end is not yet”); 2. the beginning of the end, which is also referred to as the “beginning of sorrows” (Matthew 24:8, Mark 13:8, Luke 21:9); and 3. the time that comes thereafter (events described from Matthew 24:9 and Mark 13:9 onward). These periods correspond to the time leading up to the Tribulation Period, the first half of the Tribulation (42 months), and the next 42 months, often referred to as the

Great Tribulation.

We must therefore notice that inter-country conflicts are mentioned in two different contexts: Firstly, the “hearing of wars and rumors of wars” (Matthew 24:6) occur before the end comes (this meaning the period before the Tribulation period starts). Secondly, we must then note that the occurrence of “nation rising against nation, and kingdom against kingdom” unfolds at a different and later time. This phenomenon is clearly part of the time that is called the “beginning of sorrows.” “For nation shall rise against nation, and kingdom against kingdom: and there shall be famines, and pestilences, and earthquakes, in divers places. All these are the beginning of sorrows” (Matthew 24:7-8).

Different Types of Strife

Just what is the difference between the “hearing of wars and rumors of wars” and the advent of “nation rising against nation, and kingdom against kingdom”? Moreover, if wars always occurred down through history, just when do wars now become markers of the time before the Tribulation is to start?

The main distinction that we can draw between the two war-related phenomena is that in the first stage (the pre-tribulation period), wars and rumors thereof are mainly only being heard about. There are obviously wars and strife occurring, whether between individual countries or alliances, as always has been the case throughout history, but the main emphasis in this prophecy is the actual “hearing.”

As such, though the frequency of war may be rising in the world, it is also the hearing of these wars and rumors themselves that are increasing. In other words, the intensity of the “news” of wars, geopolitical strife, etc. is also increasing. That suggests a time in which the globalization of “news-making” and news delivery itself is expanding.

Most certainly, new technology and media forms have expanded the supply and speed of international news. Therefore, we can reasonably conclude that there is both an increase in the news items (i.e. of war and rumors of war), and also an expansion in the “hearing”—namely, the scale and capacity of news—being prophesied. At any one period of time, more people are hearing about wars than there are countries and people actually participating in them.

Later, during the first half of the Tribulation, the situation changes markedly. Now, the general condition is that all nations and kingdoms are rising against each other. These wars no longer need to be mostly “heard” about or reported, because they are occurring everywhere, involving the entire world. In any case, the emphasis during this time is not the “hearing” but the general state of war. This corresponds with the period of the second seal, when the rider on the red horse takes peace away from the world. “And there went out another horse that was red: and power was given to him that sat thereon to take peace from the earth, and that they should kill one another: and there was given unto him a great sword” (Revelation 6:4). It seems correct to conclude that the general mode of all the nations of the world at that time will be “war.” While our

newspapers around the world today are full of “rumors of war”—reporting on actual wars, or geopolitical challenges or civil unrest—a general state of war involving the majority of nations does not yet exist. Obviously, the world has not yet entered the Tribulation period.

Rumors of War Are Increasing Today

Can we deduce that “rumors of war” and the “hearing” of related events are increasing, thereby signifying that the pre-tribulation time indicated by Christ is now here?

A recent study of this topic (published by Mark Harrison and Nikolaus Wolf of the University of Warwick and Humboldt University, respectively¹) concludes that the incidence of war has been steadily rising worldwide over the last 130 years or so. While the authors state that “many indicators of interstate conflict have been flat or declining for decades or longer [...] there has been a steady upward trend in the number of bilateral conflicts over 130 years, increasing by an average rate of 2% per annum during this period.”

The conclusion of this study is different from that of many other such studies in recent decades on the trends of “inter-state” and “intra-state” conflicts. For example, a report of the World Development Indicators (World Bank, 2011) concludes the following:

“Interstate war has declined dramatically since the two world wars of the first half of the 20th century. Major civil conflicts (those with more than 1,000 battle deaths a year) increased during the postcolonial and Cold War era, peaking in the late 1980s and early 1990s. Since 1991–92, when there were 21 active major civil wars, the number has steadily fallen to less than 10 each year since 2002.”

Do the reports contradict each other? No. The emphasis of the World Bank report is on actual wars (above a death count of 1,000) rather than the “hearing” and “rumors of wars.” It uses a rather subjective starting point for its observations, namely after the two major world wars, and then compares it to that prior time, thus exaggerating its conclusion. And finally, it does not take into account the number of countries that are involved in any one conflict.

In contrast, in the first report the analysts count conflicts between pairs of nations, not just wars that may involve multiple nations. As an example, World War II will have accounted for upwards of a dozen of bilateral conflicts, as nations declared war against many others separately. As such, the main reason that wars and inter-country conflicts have increased is because of the growth in the number of sovereign nations over the period of study. In 1870, there were only approximately 50 nations in the world. Today, there are more than 180.

(The remaining Part II of this article will be carried in the next issue.)

Notes:

1. The Frequency of Wars. Mark Harrison, Department of Economics and CAGE, University of Warwick, Centre for Russian and East European Studies, University of Birmingham Hoover Institution, Stanford University; Nikolaus Wolf, Wirtschaftswissenschaftliche Fakultät, Humboldt-Universität Centre for Economic Policy Research. Accessed September 3, 2011, www2.warwick.ac.uk/fac/soc/economics/staff/academic/Harrison/public/ehr2011postprint.pdf

EVR

Facts & Stats ... Ends & Trends



TOPICAL QUOTES

A Focus on China/Asia

Five years ago, 55 Chinese companies made the list of the world's 500 largest enterprises, as measured by market capitalization. Today, only 35 Chinese names qualify while the U.S., which held 159 places in 2009, has rebounded to 205 spots, according to data compiled by Bloomberg. Eight of the 10 largest companies in the world measured by market capitalization are American, including Apple of Cupertino, California, Exxon Mobil Corp. of Irving, Texas, and Google of Mountain View, California. — www.bloomberg.com, **August 5, 2014**

With *per capita* income at less than \$6,000, homeownership in China is roughly 90%, compared to less than 70% in the United States. Average floor space *per capita* is 32.9 square meters, while median floor space *per family* in Hong Kong is just 48 square meters. China has 696 five-star hotels, with another 500 on the way. Five of the ten tallest skyscrapers under construction worldwide are in China. — www.project-syndicate.org, **October 7, 2013**

Macau has leapfrogged Switzerland to become the world's fourth richest territory per person, according to the World Bank, thanks to the influx of mainland Chinese gamblers and tourists. The former Portuguese colony recorded per capita gross domestic product of \$91,376 in 2013, behind Luxembourg, Norway and Qatar. The Chinese territory overtook Switzerland — where on average each person earned \$80,528 — with an 18.4 per cent jump that was driven by buoyant gaming revenues. — www.ft.com, **July 2, 2014**

Compared to China, the relative growth of US military spending is stagnating, but its absolute military might remains overwhelming. On a per capita basis, America continues to invest in its military some 15 times more than China. In view of global spending, US military expenditures account for 37 percent of the world total, even though American GDP is barely 22 percent of the world economy. In contrast, China invests in military spending as much

as its share of the world economy would lead us to expect—about 11 percent. — www.economonitor.com, **July 2, 2014**

Today, urban China is expected to expand by some 350 million people between 2005 and 2025. It will take an estimated RMB 100,000 (\$16,300) to urbanize a single rural resident in large cities; in small cities, the costs are only 20 percent of that total. At one extreme, then, the conversion of 350 million people could amount to anywhere around RMB 25-35 trillion (\$4-\$5.7 trillion). — www.economonitor.com, **June 25, 2013**

In 1980—at the eve of Deng Xiaoping's economic reforms and opening-up policies—Chinese GDP per capita (PPP) was \$253. In the United States, the comparable figure was \$12,576; in Japan, \$8,611 and in Europe somewhere between the two. In other words, Chinese living standards were then only 2% of those in the US; and 2.5-3% of those in Europe or Japan. Last year, the comparable per capita income in the US was \$51,749; in Japan, under \$36,000; in the EU, about \$34,500; and in China, less than \$9,900. By this measure, Chinese living standards remain 20% of those in the US; and less than 30% of those in Japan or the EU, on average. — www.economonitor.com, **May 9, 2014**

The number of billionaires on China's mainland is expected to exceed the combined number of billionaires in the United Kingdom, Russia, France and Switzerland by 2023, according to an annual wealth report by Knight Frank. — www.shanghaiaily.com, **March 12, 2014**

Some 18% of China's foreign trade is now settled in yuan, a proportion the Hong Kong Monetary Authority expects to reach 30% next year. Some central banks already hold a small chunk of their countries' foreign-exchange reserves in yuan. Economists even talk of an emerging "yuan bloc", encompassing China, Hong Kong, Taiwan and the ten members of the Association of South-East Asian Nations. The globalization of the yuan seems remorseless and unstoppable. — The Economist, **April 26, 2014**

"It is said that power corrupts, but actually it's more true that power attracts the corruptible. The sane are usually attracted by other things than power." — David Brin, American scientist and author

"If the corruption of the people in power is never more manifest than in the ages of the greatest luxury, it is because in those ages the riches of a nation are collected into the smallest number of hands." — Claude Adrien Helvétius (1715-1771)

"Among a people generally corrupt, liberty cannot long exist." — Edmund Burke

"Sometimes the law defends plunder and participates in it. Sometimes the law even places the whole apparatus of judges, police, prisons and gendarmes at the service of the plunderers, and treats the victim, when he defends himself, as a criminal. But often the masses are plundered and do not even know it." — Frédéric Bastiat

"The economy depends about as much on economists as the weather does on weather forecasters." — Jean-Paul Kauffmann

"Don't think money does everything or you are going to end up doing everything for money." — Voltaire

Unfortunately, much of this “money image” of so-called progress is delusion.

In ancient times, kings and nations did not measure the value of economic output. Rather, they took a census to determine the size of the population and the number of foreigners. The strength of a nation was determined by the number of its people and the size of its army (and its technology)—not economic output.

This is the convention shown in the Old Testament. For example, when God chose Israel it was not because they were many (meaning, strong). “The LORD did not set his affection on you and choose you because you were more numerous than other peoples, for you were the fewest of all peoples” (Deuteronomy 7:7).

What does the Bible say of mankind’s self-pride in its powers, economic or otherwise? One situation in King David’s life indicates God’s disapproval of mankind’s confidence in self-reliance. In effect, this is what the idolatry of GDP has become. (Its chief shamans, today’s macroeconomists, are thought to conjure up ever greater GDP.) In 1 Chronicles 21 (this account also mentioned in 2 Samuel 24), King David decided to order a census. For no obvious reason, he had wanted to know the strength of Israel. God had not commanded him to do so. Israel was severely punished, with 70,000 people succumbing to a plague.

The most intensive Biblical report of transactional statistics for a nation is likely the account of Solomon’s trade dealings found in 1 & 2 Kings and 1 & 2 Chronicles. Reading of the riches and splendor of Solomon’s reign, it almost conjures up the fanciful idolatry of our modern-day financial system that is intertwined with national accounting.

Could that be the reason why the number 666 surfaces in these accounts? (See 1 Kings 10:14 and 2 Chronicles 9:13—“The weight of the gold that Solomon received yearly was 666 talents.”) We can only speculate, even though some parallels may be obvious.

In conclusion, it seems doubtful that God has much use for the concept of Gross Domestic Product. He looks to the individual hearts of mankind...the numbers of souls. He cares not for the might, riches and large economies of nations. A poor person is just as valuable to him (if not more so, as Christ came “to proclaim the good news to the poor,” Luke 4:18) as are one or more persons from a nation with a high GDP per capita. He is much more drawn to contrite souls who do not depend nor place their hope upon wealth.

The Psalmist said “[...] though your riches increase, do not set your heart on them” (Psalm 62:10). This admonishment applies to both individuals and nations.

“Command those who are rich in this present world not to be arrogant nor to put their hope in wealth, which is so uncertain, but to put their hope in God, who richly provides us with everything for our enjoyment” (1 Timothy 6:17).

These two verses provide important instructions for Christians. We must not be caught up in the affections of a world smitten with metaphysical and idolatrous Money.

EVRNotes:

Letters to the Editor

READER: We have all read Jonathan Cahn's book by now and the stock market went down this morning. I am trying to understand what God may be doing and what his message may be. If this is a Shemitah year for Israel and God is troubled because they haven't canceled debts, how would a dump in the stock market bring about the righteousness God is seeking? The wrong people would be penalized and the wealthy would be the ones able to make a killing off the great price swings. I am sure I don't understand the stock market and wondered if you would offer any insights from a market perspective? I am not asking for your opinion of Bro. Cahn but of the stock market. Who loses and where does the final wealth end up in a downturn? Is this “big wealth” harvesting its money? — C.N.

EVR: Most everyone is aware (at least in part) of the monetary manipulations being perpetrated of late by the U.S. central bank (the Federal Reserve). Not only that, similar policies have been put in place by all of the world’s major central banks. Viewing these developments from a global perspective, one must conclude therefore that we are living in unprecedented times of “dishonest scales.” Therefore, the question I perceive from you is whether God is (or is about to) exact punishment. And, secondly, just who is behind the manipulations affecting stock and bond markets and who is benefitting? These are questions that deserve considered answers beyond what is written here. Firstly, I am reluctant to pronounce any market gyration as a specific punishment from God, such as seeing great significance (to take just one example) in one-day declines in the Dow Jones Industrial stock market index of 666 points. To the extent that such perspectives successfully admonish and/or chasten people and authorities, this may not be such a bad thing. However, the important matter here is to correctly deal with the question of whether God has really intervened in financial market trends in such instances. In other words, has He spoken and expressly punished financial markets? As mentioned, I do not make such statements for several reasons. Firstly, the connections people draw are subjective and neither can God’s specific interventions of this type be proven. If this is the case, God is not represented truthfully to the world by such speculations. As it was, the example of the 666 point stock-market decline back in 2008 was somewhat confusing. Why would God use the number of the Antichrist to punish mankind? Had the Dow Jones declined exactly 777 points, a subjective case might have been a little stronger. In any case, the point is that God has already put in place natural rules in his creation. For that reason, to this day, everyone knows that something cannot come from nothing. If central banks create fictitious money and claims on wealth, there is a “real” impact. It will have an impact and to believe otherwise is delusion. Therefore, if stock markets were to fall substantially at this time (which is clearly possible) this alone can be explained by the physical

realities of financial flows and behavioural psychology. God would not have intervened to cause such a decline, deserved as it may be. And, in any case, it would be much more likely that the Prince of the Air (Kosmokrator of this world) would concern himself with inducing materialistic and worldly people to build an ensnaring and idolatrous financial system. And to that end, bear markets in financial markets can be times of great opportunity (a point to which you allude). But even the Kosmokrator must discipline his people from time to time. He must stay in control and cannot allow developments to spin off the track. In the meantime, there are consequences of the monetary manipulations. One that is now being recognized by more and more economists is that such monetary stimulations end up in the pockets of those who are already well-off or wealthy. Investment holders of financial assets (particularly stocks) and corporations are the main beneficiaries of the manufactured money streams. Real wealth becomes much more stratified as a result. That trend, viewed globally, I regard as an endtime development. The wrath of God will be seen in the Tribulation period. Then mankind's inflated and corrupt financial systems will collapse and everyone, including the rich and the poor, will face judgment. Until the time of the Tribulation period, whether through periods of much financial and economic volatility or not, the great Endtime Money Snare will continue.

READER: Dear Mr. Hahn, I am living in Zurich and was listening to your messages at the Midnight Call Easter conference this year at Dübendorf. It was a pity that you did not have more time for such a complicated subject. [...]. Now, I am here with some questions. 1. First: Jesus said: Do not store for yourself treasures on earth, where thieves steal, but store for yourself treasures in heaven. But most of us have some money, especially at the age of retirement — like me. If we take this literally, you would not have a job. Yes, I support missions worldwide. But I am not so free as Charles Studd, to give away all my money. 2. Many people expect a worldwide financial collapse. How do you think it will happen? How shall we prepare us for this? 3. Do you think, we, born again believers, may experience this time of total control or even that we cannot buy without this mark mentioned in Revelation. Yes, we should store up treasures in heaven, give to those in need, and give to Missions that the kingdom of God can grow. That is a kind of sowing good seeds. Right. I do this. And make friends with the "Mammon". But besides that: How can I invest wisely? Real estate is hardly affordable in Switzerland. The stock market is very high. Gold - well, at least that does not completely lose its value. So what to do? Thank you for your answers in advance. — **E.O.**

EVR: You pose serious questions, some of which are contemplated by many dedicated Christians. My answer can only be brief and cannot deal with specific investment recommendations. Firstly, may I say that there are no set formulas that apply to everyone. God deals with each of us

independently, each of us being given different tasks. Some are called to manage wealth in subservience to Him; others strive to live a simple life of stewardship. Questions of a nature such as “when a collapse may come” are a direct confirmation of what happens to treasures on earth. These are always under attack and subject to competition, transfer, and theft. As I often put it, there are over 7 billion people on earth, most of whom if given the choice would elect to increase their economic standing. “Treasures on earth” therefore represent the most competitive and brutal battlefield of any kind upon this earth; and it is under a steady state of ongoing theft. As it is, I certainly have no insight as to when financial crisis will hit nor when exactly the final bust occurs. In my view, the Bible indicates that mankind's financial edifices will continue to increase and ascend (at least, in terms of popular perception...even though these are fraught with fraudulence, corruption and instability.) The final judgement upon mankind's commercialism will come in the Tribulation period. If you are expecting to be raptured pre-trib, you will not need to worry about the events described in Revelation. For believers, I believe it is much more challenging to be committed to a godly life now than during the Tribulation period. Returning to your queries relating to stewardship and investment, it would seem to me that you have your perspectives pretty much sorted out. Each of us need to settle individually where our hearts lie. As Jesus clearly pointed out, we can set our hearts upon only one thing...not two, not more. We can worship only one master. Once that question is settled, the task of our managing our resources becomes much easier. As you acknowledge with the comment on “friends of Mammon,” we truly are given a most incredible “investment offer” of any ever available in the history of human existence upon earth. We are given the possibility of translating our “earthly wealth” into heavenly and eternal returns. (See Matthew 19:29 and the account of the shrewd servant in Luke 16, specifically verse 9). God alone can translate our souls into eternal life; we humans are given the possibility of translating that which is ephemeral, temporary and base (world wealth) into heavenly domains as “treasure in heaven.”

EVR

Front Page Graph: The rise of Asia in terms of economic growth and influence can be seen to be part of a world-wide shift to a multi-lateral power structure; and away from a single dominant superpower. Thus, opening the possibility of a 10-nation coalition forming (a mini-lateral structure).

Wilfred's Itinerary: *The Mulberry Ministry*

- December 1-3, 2014: 23rd Annual Pre-Trib Study Group Conference. Irving, Texas.
www.pre-trib.org/conference
- October 15-17, 2015: Midnight Call Prophecy Congress, Myrtle Beach, SC
www.midnightcall.com

all prophecy to unfold.

However, that does not mean that God has not used America in bringing about His purposes in the world. Nor does the fact that America is not expressly referenced in the Bible mean that God did not have America in His eye (though not as the “apple of His eye” as in Zechariah 2:8) from the beginning of time.

God does foreknow all things and mostly certainly foreknows the geopolitical outcomes of the world’s competing nations. But even more than this, God has created the earth as the theater in which mankind lives through His various dispensations. The physical geography of the world itself has played a role in determining a portion of mankind’s history and destiny.

That leads us to this question: Could the continent of North America itself have been created outside of God’s purposes? Of course not. We will consider just how unique this continent really is.

America the Bountiful

The country of America is truly one of a kind—like no other. It is extraordinary in so many ways. From an earthly perspective today, it is by far the most prosperous nation, the most powerful and the most influential. We all know this. For example, for some time, its defense expenditures have been greater than the combined outlay of the entire rest of the world. Its economy, popularly measured, is still the largest of all nations by far. We could outline a long list of superlatives.

But, how did it get to this position? Surely, the pivotal factors that have shaped America were not accidental.

Though this writer is a Canadian, I have traveled to almost every U.S. state from Alaska to Hawaii, exploring its wide open and remote areas as well as visiting most of its major metropolises. My wife and I have explored the many corners and cultures of the U.S. over the years, having traveled there hundreds of times. Earlier this year, we toured through the states of Wyoming and South Dakota. Once again, we were awestruck. What an expanse...what varied and beautiful landscapes...the immensity of resources...like no other nation!

Canada is beautiful, too, and in fact, is even slightly bigger than the U.S. geographically. However, much of its area sits atop the Canadian Shield or the northern muskeg and tundra. These have little use other than for canoeing and portaging trips (of which I have also done a number beyond count).

Over 90% of Canada’s population lives within 200 miles of the U.S. border. Vast as it is, Canada for the most part lives within a narrow ribbon of land some 5,000 miles long.

Despite its size and grand wildernesses, Canada does not have the natural physical blessings of the U.S. On the other hand, God has greatly blessed America with many physical advantages.

The Middle East Blessed from Long Ago

Just how blessed is America? What benefits and geographic advantages have been given to this country? The answers are most interesting.

But first, allow us to take a bit of a detour—briefly turning aside from the question of America’s origins and destiny—to better prepare for this discussion. We pose this question: Have world developments that align with long-term Bible prophecy been entirely circumstantial? Could some prophesied events have been shaped from the time of Creation?

Did God shape the pattern of our modern world from the beginning? For example, why was the Middle East the cradle of mankind and its dominant cultures?

It is one thing to say that world history navigates around the timeline of the Jew, because God has pre-planned it that way. But why did civilized man also find his roots in this arid, Middle Eastern region as we see it today? Could not mankind have originated from another region on earth?

Of course, out of faithfulness to what the Bible says, we conclude that God created the world and therefore also ordered the earth’s regions and features that would shape mankind’s efforts to, “Be fruitful and increase in number; fill the earth and subdue it” (Genesis 1:28).

Nevertheless, it is interesting to reflect on the means that God used to influence the movements of mankind and the development of its societies and civilizations down through history. It is wondrous to consider these facts.

Jared Diamond, an anthropologist and Pulitzer-prize-winning author, provides some insightful perspectives on the question of how God shaped such a destiny in his book *Guns, Germs, and Steel: The Fate of Human Societies*. Mr. Diamond shows how natural geography early on concentrated human development in the Middle East and then spread outward from there.

He documents that the availability of key types of plants and animals that could be easily domesticated was clustered in the Middle Eastern region. Of all the large mammals living upon earth that were candidates for domestication—either for food or burden—almost half are found in this Eurasian region.² Furthermore, 13 of the 14 animals that were successfully domesticated worldwide found their start in this area. The only large animal productively tamed outside of this region was the llama (and the related alpaca) in South America.

Why was domestication not possible in other parts of the world? Why could horses from Asia be tamed and not zebras in Africa? In form, these two animals look similar. Yet, God created it such that only the horse could be domesticated. It is for these types of reasons that farming and commerce first thrived in the Middle East, specifically the well-watered area of the two rivers (Mesopotamia).

That is the area in which man was first placed and where

his progeny first prospered. Therefore, the early societies of the Middle East stood to have the most influence upon successive human cultures and societies around the world. We can see that the Creator formed the cradle of civilized man with the necessary geographical features and sources of food to prosper in his commission on earth.

We may be a few steps closer to learning why Abraham was born in the Middle East and why human history and its dominating kingdoms would later be anchored to the timeline of the Jew, the land of Israel, and the Middle East.

Similarly, the Creator has had His hand in the birthing of a superpower called the United States of America.

Again we ask: How so?

Advantage America

No other nation has been given the natural advantages of America. Let us count the ways. We borrow heavily from Stratfor's popular monograph *The Geopolitics of the United States*,³ and editorialize a bit to expand the focus to the entirety of North America.

- No other nation in the world has as much arable land as the U.S. The American Midwest is the world's largest contiguous piece of farmland. In addition, there are other major agricultural areas, namely in south-central Canada, the Atlantic Coastal Plain, California's Central Valley and others. These are significant compared to agricultural capacity in the rest of the world.
- The Atlantic Coast possesses more major ports than the rest of the Western Hemisphere combined.
- The Greater Mississippi Basin, together with the Intercoastal Waterways, has more miles of navigable internal waterways than the rest of the world combined. In addition, the river systems of the Missouri, Arkansas, Red, Ohio and Tennessee are significant. Why are rivers so important? Navigable rivers have two banks, coasts only one.
- Adding to the power of America is the fact that it has a wealth of sheltered bays and extreme indentations allowing for ports—St. Lawrence Seaway, the Great Lakes, Chesapeake Bay, San Francisco Bay and a number of others.
- A most important feature of North America is the river network in the middle third of the continent. Unlike major rivers in the rest of the world, vast tracts of America's rivers are navigable because few of their tributaries originate in high elevations. That has meant that America has had the cheapest and most efficient transportation system in the world for its products.
- The vast bulk of America's prime agricultural lands are within 200 kilometers of a navigable river.
- American has two coasts—the Atlantic and the Pacific. Moreover, it allows America to trade with these two

major regions of the world—both Asia and Europe.

- From a national security perspective, America is naturally insulated from any enemy. The two major oceans of its coastline are a natural barrier to any enemies. To the south there is desert; to the north timberland, mountains or lakes. Its geographic layout today makes America very secure like no other its size.
- The United States is the least densely populated of the major global economies in terms of population per unit of usable land. (Russia, Canada and Australia may be less densely populated but vast tracts of their land are economically useless...i.e. Siberia, the Canadian North and the Outback, respectively.)
- The U.S. has no fewer than 20 metropolitan areas with more than 2.5 million people. In contrast, most major countries have a single, primary political and economic center such as Paris or London.

We could list many other factors. All the above translates into a low requirement for capital, cheap transportation, and low defense costs in its earlier days. These were major factors that enabled the rapid rise of America in world trade and influence. Canada, on the other hand (to illustrate this contrast), needed to spend massively to develop the St. Lawrence Seaway and the required canals in the Great Lakes.

Just what other nation has been endowed with such wealth, resources and geographical features?

Reading all the above begs this crucial question: Viewed over the last several centuries, is the success of America alone attributable to its people and leaders? Could it be correct to believe that the rise of America over the last 200 to 150 years was not significant in the prophetic timeline of the world?

The correct answer, we think, would be "no." The rise of America on the world scene was not accidental. God has had His purposes for America. Nevertheless, this nation is free to make its choices. It is free to choose whom it will serve and to bear the corresponding judgments in the last days.

In Part II and Part III we further examine America and its possible prophetic role in the world.

NOTES:

1. <http://www.outlookindia.com/news/article/US-Will-Stay-the-One-Indispensable-Nation-in-the-World-Obama/857234> Accessed August 26, 2014. Perhaps better referenced from <http://www.whitehouse.gov/the-press-office/2014/08/26/remarks-president-american-legion-national-convention??>
2. Diamond, Jared. *Guns, Germs, and Steel: The Fate of Human Societies*. 1999, New York. Pg. 162, Table 9.2. The definition used to categorize large animals is 100 pounds or greater.
3. Stratfor. *The Geopolitics of the United States, Part I: The Inevitable Empire; Part II: American Identity and the Threats of the Future*. August

EVR



Personal Perspective

America: In the Eye of God? – Part I

U.S. President Barack Obama said this recently in an address to the American Legion in North Carolina: “The United States is and will remain the one indispensable nation in the world.”¹

Is America really “the one indispensable nation” in the world? Will it remain as influential as it is today...as it has been in the past?

These are heavily-debated questions both in secular and religious circles. Geopolitical analysts have differing opinions. Some say that the 21st century will belong to the U.S. as did the 20th century. Others are sure that the superpower of America is in decline and will eventually become an isolated and dissipated nation.

In religious circles the debates are also myriad. Islam predicts that it will win the entire world for Allah. That implies, of course, that America must fall to become subservient to Dar al-Islam. Humanists (most certainly a religion), on the other hand, see the matter as a human competition for technology, resources and dominance. To them, the outlook is “bullish” for America as far as the eye can see.

In Christian-influenced circles, the perspectives are more diverse and nuanced. They range from the uniquely American idea that it is a kind of new Israel with manifest destiny. Some (such as the offshoots from Armstrongism) believe that America is indeed one of the so-called 10 lost tribes of Israel (that were vanquished and deported by the Assyrians). Therefore, America will be punished by God and will then ultimately rise in power when all Israel (12 tribes) is unified and back in its ancestral country.

Some are sure that America is mentioned or pictured in the Bible (though not specifically by name)...others, that it may be in a form of a covenant with God (somewhat similar to Israel). Still others are sure that America is not mentioned in the Bible. There are many more differences in the finer points. In these views, America may be prominent or facing judgment.

What view do we espouse? This, obviously, is a potentially treacherous question as there are so many vested viewpoints. Nevertheless, we must seek to base our perspective on the literal words of the Bible and to avoid any speculation.

America as a nation is not in a covenant relationship with God. This is unique to Israel and it is this latter nation that ultimately will prove to be the “indispensable country,” contrary to President Obama’s statement. Nor do we see America itself specifically pictured or mentioned in the Bible. America may certainly be numbered among the

nations of the last days that the Bible addresses in prophecy. We cannot be entirely sure of this in every mention of the Biblical phrase “the nations,” as we do not know the future exactly.

However, the Bible does most certainly confirm that “all the nations” will arise against Israel in the last days. For example: “On that day, when all the nations of the earth are gathered against her [...]” (Zechariah 12:3). The Lord says that He “[...] will gather all the nations to Jerusalem to fight against it [...]” (14:2). Therefore, America (most certainly Canada, too, which at the moment has a staunchly pro-Israel Prime Minister) will be among “all the nations” that arise against Israel.

When the Bible uses the word “nations,” this refers expressly only to peoples other than Israel. The word used for “nations” in both the Old and New Testaments means “Gentiles.” When the phrase “among the nations” appears in the Bible (over 70 times in the NIV), it is customarily referring to the world outside of Israel—the Gentiles living in the world at large.

The Bible also refers to the nations of the world as the “islands” (i.e. Isaiah 41:1) or the “islands of the seas” (Isaiah 11:11). This definition also does not include Israel (or any of its tribes, for that matter). Revelation 6:14 and 16:20 speak of “every island” being judged (in this context again excluding Israel). That proves that all the “islands of the seas” are Gentile, as Israel is not mentioned to number among these countries. Therefore, most certainly, the U.S. would be included in this number.

There is only one country not said to be counted among the nations, and this is not the USA or any country other than Israel. Balaam prophesied: “From the rocky peaks I see them, from the heights I view them. I see a people who live apart and do not consider themselves one of the nations” (Numbers 23:9, NIV). The King James translates this verse somewhat differently, saying that Israel “shall not be reckoned among the nations.”

Someday Israel will stand alone, says the Bible. The Israel meant here is the unified 12 tribes of the patriarch Israel, the father of Jacob and Esau.

Did God Plan the Rise of America?

In conclusion, the United States of America is not specifically mentioned in the Bible. However, we would argue that it is certainly counted among “the nations” and is one of the “islands of the seas” that are mentioned in prophecy (assuming it continues to exist).

In past articles (See “10: The Magic Number of Endtime Post-Globalism,” MCM December 2009 and “Endtime Shoes: Fitting the World for 10 Toes,” MCM January and February 2009), we have argued that it is mostly likely that America must first decline in order for

... continued on page 10

