

Kingdom Report

Week of 8 December 2018

Rebuilding the Economic Waste Places Part 1

It is time to put the national and international economic system on the Kingdom agenda...the agenda for change and restructure! The world economic system is headed for a mega-crash and the current church teaching on tithing and prosperity does not come close to addressing the issues.

This is the start of a series on the economic issues we have to face when we talk about "rebuilding the waste places" as an injunction from the Lord. The church is under some very bad illusions when it comes to this issue...and a lot of it has to do with wilful avoidance of teaching the whole counsel of God as to what are the biblical requirements for genuine prosperity.

Here are some but not all current church illusions:

- This is not an issue for the church. This world is soon coming to an end and we are headed for heaven, so its not our responsibility.
- Satan is the god of this world and controls the money power as Mammon and when Jesus returns He will destroy Satan and his kingdom and set up a Millennial kingdom where we will have a true kingdom economy.
- Like Daniel and the Israelites in Babylon we know we are in Babylon world system but the Lord can bless us here and make us a testimony to the world of blessing and prosperity.
- If people will only be obedient to God's law of tithing then God promises to bless them abundantly and supernaturally.

I can and will answer these mistakes as we proceed on this economic waste analysis further down the line. But at this point let me make two points:

First: I have yet to hear any series of sermons or teachings from the pulpit in all my many years of church attendance that makes any real economic sense with regards to a theology of work and wealth creation....they all seem to start and end with "faith and tithing" or to put it another way "positive thinking and giving".

Secondly: While we hope and pray that either Jesus comes quick or I get a financial miracle from positive confession and tithing these are the economic dynamics now happening around us...the rise of a new economic feudalism described in the Atlantic magazine as a "New Aristocracy (the top 9,9%)....

Beneath the surface signals of an eternally rising stock market and expanding GDP, we all sense something is deeply, systemically wrong with the economy. These nine structural dynamics generate secondary dynamics, all of which are toxic to social mobility, sustainable prosperity, accountability and democracy:

1. The financialization of the economy, which transformed services, credit, risk and labor into commodities that could be traded globally. Financialization generates enormously asymmetric returns: those with access to low-cost credit, global markets and expertise in finance collect the lion's share of gains in income and wealth.

2. The technological transformation of the economy, which has placed a substantial scarcity premium on specific tech/managerial/communication skills and devalued ordinary labor and capital. As a result, the majority of gains in wealth and income flow to those with the scarce skills and forms of capital, leaving little for ordinary labor and capital.

3. The end of cheap fossil fuels. The fracking boom/bubble has obscured the long-term secular trend: the depletion of cheap-to-access and process oil. As many analysts have observed (Nate Hagens, Gail Tverberg, Richard Heinberg, Chris Martenson et al.), the global economy only grows if energy and credit are both cheap.

4. Globalization, which transformed the developing world into the environmental dumping ground of the wealthy nations and enabled the owners of capital to offshore waste and labor.

5. The destructive consequences of "growth at any cost" are piling up. "Growth" is the one constant of all existing political-economic systems, and none of the current Modes of Production (i.e. the structures that organize production, consumption, the economy and society) recognize that "growth" is not sustainable.

The first two dynamics drive three other dynamics that have hollowed out the productive economy:

6. The dominance of debt-funded speculation as the means of "getting ahead" as opposed to producing products and services of intrinsic value that serve the core needs of communities.

7. The economy's gains in income and wealth are concentrated in the very top of the wealth-power pyramid: the top 5%--entrepreneurs, professionals and technocrats, etc., and within this class, most of the gains go to the top 1/10th of 1% -- the existing owners of wealth, and financiers/speculators with access to cheap credit.

The net result is the bottom 95% have few opportunities to "get ahead" outside of gambling in the asset bubbles du jour: the stock and housing market. While the average middle class household may be able to borrow enough to speculate in the housing bubble, two factors limit the odds of success for ordinary investors/gamblers:

A. The gains in housing are concentrated in specific markets; outside these hot markets, gains are modest.

B. Asset bubbles eventually pop, leaving those still owning the assets with losses. The risks are thus intrinsic and high. The average investor/gambler lacks the experience needed to recognize the bubble has stopped expanding and exit the market before all the other speculators rush for the narrowing exit.

8. The devaluation of ordinary labor and capital means the bottom 60% of the economy that lacks the requisite skills with a scarcity premium in the Emerging Economy have lost easy access to the ladder of social mobility.

9. The concentration of wealth and power in the hands of the self-serving few corrupts the economy and democracy. The U.S. economy is dominated by insider and elite rackets, skims, scams and cartels/quasi-monopolies, all of which corrupt the economy by creating perverse incentives for exploitation and gaming the system to benefit the few at the expense of the many.

This corruption in service of maximizing private/personal gains at the expense of the system itself also corrupts the mechanisms of governance, which are now little more than cloaking devices that protect insiders and elites from scrutiny and consequences.

The 20% above the bottom 60% may appear to have some access to social/economic mobility, but this is largely an artifact of the bubble economy since 2009. Once the bubble deflates, the illusion of social mobility for the "middle class" between the bottom 60% and the upper 20% vanishes.

The "upper middle class" between the bottom 80% and the top 5% is being squeezed by the over-production of elites, i.e. the over-abundance of those with college degrees and the relative scarcity of secure jobs within the top 5%. As a result, credential inflation is rampant, with Masters Degrees replacing Bachelors Degrees as the default for a white-collar job, and PhDs replacing Masters diplomas as the new default for positions that lack security and upward mobility.

In other words, the number of people who qualify for and desire a slot in the elite class (top 5%) far exceeds the number of slots available. As Peter Turchin has explained, this competition generates social disorder at the top of economic heap as the top 20% fight over the few positions open in the top 5%. The disgruntled, frustrated losers far outnumber the relatively few winners.

These nine dynamics are mutually reinforcing, meaning that each dynamic strengthens one or more of the others, reinforcing each other so the sum of the nine is far more powerful than a mere addition might suggest.

And this is just the tip of the visible economic iceberg that is sinking the hopes and dreams of the multitude in the serf and peasant class. There is a powerful illusion being propagated especially through the American church that the average common church going believer can miraculously become part of this 9,9% economic elite and become part of the economic aristocracy of Babylon central.

The reality is that even if you make it to the top all you have done is moved from third class to first class on the good ship Titanic.

There are structural elements as to how the world economic system is structured that lead to certain disaster regardless of your tithing or success in Babylon central. And the point of "rebuilding the economic waste places" is that after the coming great economic collapse we need to have a biblical program to rebuild that goes beyond the usual economics of Adam Smith or Keynes or Marx or Samuelson or Mises.

Central to the entire conflict of competing economic systems is the vision of endless growth on a limited planet.

The two competing systems we are faced with are these:

Kingdom of Mammon
or
The Kingdom of God.

The Kingdom of Mammon

Mammon is money and its mechanism or internal DNA structure is the creation of more money endlessly through the creation of debt and interest on debt. Today in our world economic system only about 5% of money creation is done by government central bank money creation. The rest, 95% of our money supply is credit money created by private bank debt creation through fractional reserve banking whereby new credit is created by new debt creation. The interest and capital of all debt that has been created cannot be repaid in full by the existing money supply, therefore new debt must be created at interest to pay off previous debt and interest.

The instruments through which Mammon operates are governments and corporations. They enable the creation of endless debt and enforce the payment of endless interest. Like a cancer of parasite in body this malignant tumour the world system will eventually destroy the world economy.

World dollar debt globally by governments, corporations and individuals already stands at about \$350 trillion with \$57 trillion added since the last economic crisis of 2008...and that in world economy of \$80 trillion.

The first law of the kingdom of Mammon this...'Seek ye first money, and then all these things shall be added unto you' Things like happiness, peace, fun, possessions, respect, adoration of the world.

Money comes first. it comes before the environment, it comes before families, it comes before the needy. The need for money by corporates and governments is the first priority before all else. People must work for money. You die without money.

Money and Mammon requires an army of debt serfs that live for the purpose of consumption and production through the creation of debt and interest to be never repaid which will keep people in debt bondage for all their lives.

Corporations and capital will increase and live forever...while families die out....as workers are replaced by robots and cheaper workers.

The Kingdom of God

The first rule of the Kingdom of God...."*seek ye first the Kingdom of God and His righteousness then all these things shall be added unto you.*"

Jesus said... *"you cannot serve God and Mammon."* Math. 6:24.

The Kingdom of God is also destined for endless growth. Isaiah 9:7 describes the coming Messiah and his Kingdom....

"Of the increase of his government and peace there shall be no end...to order it and to establish it with judgement and with justice from henceforth even for ever. The zeal of the Lord of hosts will perform this."

Now take this scripture seriously because this is what a Kingdom economy is for. This is what this scripture is saying.

The Kingdom of God is structured for endless growth!
Jesus is in the process of ordering and establishing it for endless growth.
This Kingdom will produce peace on earth...and wherever it expands.
It will be established by judgment and justice...God's Kingdom laws!
The Lord is actively involved with this program with great zeal....He loves what He is doing...and we are invited to join Him with great zeal and enthusiasm!

Now let's get practical. We are required to seek first how we can participate in this great endless program of Kingdom growth and expansion....not seek first how I can climb up the corporate ladder. It should be obvious to you and me that the only way you can grow the Kingdom is through families and children!
And it should be equally obvious to us that children are not made in heaven...they are made in this world, in this universe, this planet. There is no sex and marriage in heaven!

It should then be obvious that the purpose and object of an economy should be directed at family growth. And that money and corporations and the resources of the earth need to be directed towards family growth. So we design an economy whose success and prosperity is measured by the growth not of GDP but the growth and prosperity of families.

So here is our first lesson....Mammon and the needs of Mammon which is the endless growth of debt and the primacy of money and the pursuit of money will destroy the world economy. That is unavoidable and cannot be stopped. It will come to an end. Pensions will not be paid, bonds will be repudiated, debts will be liquidated by only two means possible...infinite inflation like in Zimbabwe (and I still have by the way a 50 trillion Zim dollar bill!) or the debt load will just be repudiated and with that the money that backs it will become worthless. Debt repudiation or infinite inflation...the only two options ahead for the world debt crisis. Either will destroy the world economic system.

We in the Kingdom of God will be faced with the challenge of a new monetary and banking and financial system to rebuild a world economy in the service of the poor and the families of the earth.

Let's see how we can do this by following biblical guidelines and modern technology now available from the Lord to do this....Next week.