

Falling Off the Fiscal Cliff?

*“Wherefore we
receiving a
kingdom which
cannot be moved,
let us have grace,
whereby we may
serve God
acceptably with
reverence and
godly fear.”
—Hebrews 12:28*

A NEWLY COINED PHRASE

which has come about only in the past year is the term “Fiscal Cliff.” It refers to the effect of a number of United States federal laws which, if unchanged, could result in tax increases, spending cuts, and a corresponding reduction in the budget deficit beginning in 2013. Among other things, these laws include tax increases that will occur due to the expiration of the so-called “Bush tax cuts” and automatic spending cuts resulting from the Budget Control Act legislation passed by Congress in 2011. It is projected that the effect of these actions would be to reduce the federal deficit for 2013 by roughly half, with the cumulative deficit over the next ten years to be lowered by as much as \$7.1 trillion, or about 70%.

The above scenario, in which there would be a drastic, sudden reduction in the federal deficit in 2013,

has caused widespread concern. The Congressional Budget Office, as well as other numerous so-called experts, have warned that such a sudden reduction in the deficit poses an increased risk of another severe recession in the United States—a so-called “fiscal cliff” of federal spending cuts and tax increases—which they say could have a significant negative impact to the country’s economy in general, which is still slowly recovering from the “great recession” of 2007-2009. Many of these same experts also agree, however, that lowering deficits now as well as over time will improve long-term economic growth prospects.

FEARS OVERBLOWN?

Some economic analysts and commentators say that the entire “fiscal cliff” talk is overblown. Paul R. La Monica, a writer for CNN Money, recently wrote: “Some experts are starting to compare the fiscal cliff fright-fest to the hyperbolic warnings about the Y2K computer bug back in 1999. In case you forgot, there were many reputable economic and tech experts in the late 1990s who feared a chaotic meltdown once January 1, 2000 rolled around because lots of computers were supposed to be unable to figure out how to register a four-digit date. We were going to regress all the way back to 1900! You wouldn’t be able to get money out of ATMs! Power grids would shut off! While that didn’t exactly happen, people should not glibly dismiss the fiscal cliff worries as another case of Chicken Little-ism though. Sure, the sky isn’t falling right now. And it won’t fall [even] if Congress and the White House fail to reach a deal to avoid the cliff by the end of the year.”

Mr. La Monica further said that the fiscal cliff pales in comparison to the liquidity crisis the world went through in the fall of 2008 after Lehman Brothers went bankrupt. Growth may slow if the fiscal cliff comes to pass, he stated, but nothing to the extent of what happened four years ago. Others have expressed similar thoughts. Berkshire Hathaway's Warren Buffett recently told a CNN reporter that the United States would not slip into another recession in 2013 even if we "fall over" the cliff. Tim Hathaway, a portfolio manager with Brown Advisory in Baltimore, recently stated that "The dire outcome from falling over the fiscal cliff is unlikely to happen. We don't believe a major recession is coming." One reason for some of these more "optimistic" views is that many believe the government will not allow the automatic spending cuts and tax increases to take effect, because the political ramifications are too significant. Nobody wants to be accused of causing another economic downturn. Liz Ann Sonders, chief investment strategist with Charles Schwab in New York, recently summed up the feelings of many this way: "I hope there is enough intelligence in Washington for lawmakers to realize that neither side wants to be seen as having their hands on the wheel if we go over the cliff."

PHILOSOPHICAL DIFFERENCES

The deep philosophical differences between Republicans and Democrats heighten the uncertainty of what may happen as we begin 2013. The Republicans control the House of Representatives, while the Democrats control the Senate and White House. Republicans generally feel that the Bush tax cuts

should be made permanent, and that spending cuts should primarily target social programs. Democrats, on the other hand, favor letting the Bush tax cuts expire, and aiming spending reductions toward defense, but not toward social programs. The merits and potential effects of going in either direction are at the core of the political debate in Washington. President Obama has, in fact, promised to veto any legislation that attempts to bypass the fiscal cliff that does not also include the expiration of the Bush tax cuts.

The question of the long-term benefits resulting from tax cuts, or tax hikes, is widely debated. On one hand, those who believe the rich should pay more in taxes state that the increased federal revenues which they say will occur as a result can be used to stimulate the economy, increase jobs, and help raise the overall economic level of the lower and middle classes. These say that leaving the Bush tax cuts in place will not stimulate anything positive for these classes, will only cause the rich to get richer, and will result in the national debt's continued spiral out of control.

Those, on the other hand, who believe the Bush tax cuts should remain, or even be made permanent, claim that if the cuts expire, businesses and entrepreneurs will cut back on spending, expansion, and hiring, and an economic slowdown, or even a severe recession, will result. They believe that, consequently, the lower and middle classes will ultimately be hurt by tax increases on the rich. They further say that by leaving taxes on this same group at current rates, or perhaps even lowering them further, new growth will be stimulated

through increased corporate spending, expansion, and hiring. All of this, it is claimed, will be of long-term benefit to the lower and middle classes and, over time, will also bring about reductions in the federal deficit because of higher business and corporate profits and the resulting increase in taxes paid from those profits.

WHAT IS THE ANSWER?

We ask then: How is the common person to make sense of all this? What does it all mean? Which arguments are correct? What plans will win out as we enter 2013? Will the President and Congress come to some compromise agreement on taxes and spending? Will the country's out-of-control deficit be reduced and, if so, when and to what extent? Will we go into another recession? Will the fiscal cliff prove to have been blown out of proportion as to its consequences, or will it result in a major shaking of our country's economic system? The ordinary person desires, and deserves, answers to these questions.

Although we lay no claim to knowing the immediate answers to any of these questions, the Scriptures bring to our attention that we should expect various troubles and perplexities, some more severe, some less so, to assail the world in which we live today. These, the Bible says, are for the purpose of preparing man's hearts for God's coming kingdom of righteousness upon the earth, to be administered by his Son, Christ Jesus, and his faithful "little flock" of footstep followers. Even as we see the present economic, political, religious, and social systems being shaken to the core, God's Word promises that an "unmovable" kingdom will replace

the current tottering systems. This kingdom will be the long-term, permanent, answer to the questions concerning the many perplexing troubles of our day.

The fiscal cliff, and its potential impact, is just one example of many great challenges that face mankind today. Yet it is not, by any means, a new phenomenon for the world to be embroiled with such troublesome and worrisome issues. For the past century, in fact, there has been a general leveling of human society, resulting in instability among nations, peoples, and the world in general. These conditions are prophetically described in symbolic language in Isaiah 24:1-4. We quote: “Behold, the LORD maketh the earth empty, and maketh it waste, and turneth it upside down, and scattereth abroad the inhabitants thereof. And it shall be, as with the people, so with the priest; as with the servant, so with the master; as with the maid, so with her mistress; as with the buyer, so with the seller; as with the lender, so with the borrower; as with the taker of usury, so with the giver of usury to him. The land shall be utterly emptied, and utterly spoiled: for the LORD hath spoken this word. The earth mourneth and fadeth away, the world languisheth and fadeth away, the haughty people of the earth do languish.”

ALL CLASSES AFFECTED

In this foretold turning of the earth “upside down” we see that all classes and aspects of the present systems are affected. We note particularly the words of this prophecy which foretell economic distress—“buyer” and “seller,” “lender” and “borrower,” “taker of usury” and “giver of usury.” It is clear from these words that God knew long in

advance that troubles in the world's economic systems would play a major role in the fulfillment of prophecy in our day. Additionally, we are told in this prophecy that "the haughty people of the earth do languish." Whether it be the haughtiness engendered by riches, by power, or by pride, no perceived earthly advantage will help one escape the upsetting experiences of this prophetic day of chaos through which the world is now passing. There is no reason, then, to expect that in 2013 the persistent erosion of what was once a somewhat orderly world society will cease.

It would be unwise to forecast the details of events which will contribute to the world's continuing experiences in its present "time of trouble." Those aspects of chaos, trouble, and confusion which today make front-page news may very well change, either in character or in location. Whatever the case, these experiences will represent the continuation of the "melting" process described by the psalmist when he wrote, "The [nations] raged, the kingdoms were moved: he uttered his voice, the earth melted."—Ps. 46:6

Another highly symbolic prophecy descriptive of this day of chaos and trouble in which we are living is recorded in Isaiah 13:6-8: "Howl ye; for the day of the LORD is at hand; it shall come as a destruction from the Almighty. Therefore shall all hands be faint, and every man's heart shall melt: And they shall be afraid: pangs and sorrows shall take hold of them; they shall be in pain as a woman that travaileth: they shall be amazed one at another; their faces shall be as flames." The Apostle Paul, writing of this same "day of the LORD," also

mentions the “travail.” He informs us that “sudden destruction cometh upon them, as travail upon a woman with child.”—I Thess. 5:2,3

PEACE DESIRED

As we enter 2013, the desire for peace continues to be expressed. The vast majority of mankind want peace in the world. Efforts will continue to be made to “put out fires” of trouble wherever possible, but these will not lead to the stable and lasting peace for which many people of all nations so earnestly yearn. Whatever apparent successes to bring peace to the many volatile places in the world occur in 2013, they will almost certainly be short-lived and disappointing. It will be as foretold by the Prophet Amos, when he wrote, “As if a man did flee from a lion, and a bear met him; or went into the house, and leaned his hand on the wall, and a serpent bit him.” (Amos 5:19) Because of this, Amos inquired, “Shall not the day of the LORD be darkness, and not light? even very dark, and no brightness in it?”—vs. 20

Thus we may expect that in the year ahead the hearts of many people will continue to be filled with fear. The poverty of millions in third world countries will continue to foment tension and strife. The conflicting ideologies, both political and religious, of many nations will add to the chaos, leading to wars of words and weapons. Even the deep, political divisions within our own country, not only in Washington, but among the people in general, will lead to more unrest, dissatisfaction, and strife, as our leaders continue to tackle issues related to the economy, foreign policy, and other areas of national and global concern.

THE KINGDOM HOPE

From the standpoint of human wisdom and ability, the outlook for 2013 is not bright. It is only as we view the situation from the standpoint of the prophecies and promises contained in the Word of God that we can rejoice with a genuine hope for the future. In Hebrews 12:26,27, Paul speaks of the great “shaking” that occurred at the time when the Law was given to Moses at Mount Sinai. He indicates that it was typical of the symbolic shaking that would take place among the elements of human society just prior to the establishment of the long-promised Messianic kingdom. He says, “Whose voice then shook the earth: but now he hath promised, saying, Yet once more I shake not the earth only, but also heaven. And this word, Yet once more, signifieth the removing of those things that are shaken, as of things that are made, that those things which cannot be shaken may remain.”

The expression used by Paul, “Yet once more I shake not the earth only, but also heaven,” is taken from Haggai 2:6,7. Verse 7 reads, “I will shake all nations, and the desire of all nations shall come.” The word “nations” really means peoples. Most of the world’s people desire peace. They desire freedom from fear. They desire economic security. They would like to see poverty, hunger, and injustice abolished. First, however, they must go through the “shaking” period now upon all mankind. The people must learn that they do not possess the capability, by their own wisdom and strength, or by the abilities of their imperfect human leaders, of attaining what they desire. They must learn that fallen human efforts will not guarantee peace and

the many other blessings for which the whole world continues to long.

Both Haggai and Paul assert that the “shaking” of this day of the Lord would affect the “heaven” also. This is a reference, symbolically, to the religious elements of the world. The various religions of earth are indeed being shaken. This also is in preparation for Messiah’s kingdom. The many false teachings of most religious systems of today, Christian and non-Christian, will have no place in the Lord’s kingdom. Then, all will learn the truth about God and his perfectly-balanced character attributes of wisdom, justice, love, and power.—Isa. 11:9; Zeph. 3:9

ALL EVIL REMOVED

In the great “shaking” time through which we are passing, everything that is “made” will be removed, as Paul wrote in Hebrews 12:27. The reference here is to man-made ideas and institutions. These are all tainted with sin and selfishness, and will be of no use in Christ’s kingdom.

The only things which will remain will be those that are fully in harmony with the Word of God. The only hope that will endure through the chaos of a disintegrating world society will be that hope which is based upon the promises of God—promises of his kingdom. There are not many throughout the earth today who are rejoicing in this hope. A few are, however, and it is these to whom Paul refers in our text as “we” who are “receiving a kingdom which cannot be moved.”

In Psalm 46:2,3, we are given another prophetic picture of the shaking and removal of man-made institutions during this “day of the LORD.” The

symbolic earth is removed, and the “mountains” are carried into the midst of the sea of human passions. The “waters” “roar” and are “troubled,” and “the mountains shake with the swelling thereof.” In other words, this is a picture of the removal—the shaking—of all selfish human institutions.

RECEIVING THE KINGDOM

In this prophecy, the Lord’s people who are “receiving” the Lord’s kingdom are spoken of as “the city of God,” that kingdom in the making, as pictured in “the holy place of the tabernacles of the most High.” “God is in the midst of her; she shall not be moved: God shall help her, when the morning appeareth.” (Ps. 46:4,5, *Marginal Translation*) Here again we have the assurance that while all things out of harmony with the divine will are destined for removal, yet, as this prophecy shows, “she [the faithful followers of Christ] shall not be moved.”

Thus is confirmed Paul’s promise that we are receiving a kingdom which “cannot be moved.” We do not yet possess this kingdom, but we are in the process of being prepared to receive it. This will be the rulership phase of the Messianic kingdom—that aspect of the kingdom mentioned by Jesus, when he said, “Fear not, little flock; for it is your Father’s good pleasure to give you the kingdom.” (Luke 12:32) Our share in the kingdom, to live and reign with Christ a thousand years, is a gift, but we must prove worthy of receiving it.

The Apostle Peter refers to some of the conditions which must be met if we are to receive this gift. We are to “add” to our faith “virtue; and to

virtue knowledge; And to knowledge temperance; and to temperance patience; and to patience godliness; And to godliness brotherly kindness; and to brotherly kindness charity [love]." Continuing, Peter wrote, "If these things be in you, and abound, they make you that ye shall neither be barren nor unfruitful in the knowledge of our Lord Jesus Christ. But he that lacketh these things is blind, and cannot see afar off, and hath forgotten that he was purged from his old sins. Wherefore the rather, brethren, give diligence to make your calling and election sure: for if ye do these things, ye shall never fall: For so an entrance shall be ministered unto you abundantly into the everlasting kingdom of our Lord and Saviour Jesus Christ."—II Pet. 1:5-11

The unmovable kingdom referred to in our text is a certainty. It is part of God's great plan for the blessing of all the families of the earth. Whether we as individuals will participate with Christ in the ruling phase of that kingdom depends upon our faithfulness—a faithfulness that involves the laying down of life itself, suffering and dying with Jesus. If we want to wear a "crown" in that kingdom we must bear the "cross" now. If we are to have a share in the rulership phase of Christ's kingdom we must, as our theme text declares, "Hold fast [margin] the grace, whereby we may serve God acceptably with reverence and godly fear." Paul described acceptable service to the Lord, when he wrote, "I beseech you therefore, brethren, by the mercies of God, that ye present your bodies a living sacrifice, holy, acceptable unto God, which is your reasonable service."—Rom. 12:1

HUMAN REPRESENTATIVES

Jesus and his faithful followers who will live and reign with him a thousand years will possess the divine nature, and therefore will be invisible to human eyes. Because of this, the Lord has arranged that they will have visible human representatives. Many of these are referred to in Hebrews, chapter 11—those men and women of faith and valor who laid down their lives in the service of God during the ages in the divine plan preceding the present Gospel Age. These will be brought forth from the dead in what Paul describes as “a better resurrection.” They will be given life by divine power, and as perfect humans will be in the visible ruling phase of the kingdom.—Heb. 11:35,40; Ps. 45:16; Isa. 32:1; Luke 13:28,29

THE SUBJECTS BLESSED

With the rulers in the kingdom established in power and authorized to function, the promised blessings of the kingdom will quickly begin to flow out to all the peoples of the earth, beginning with the restored Israelites. The final phase of world tribulation and “shaking” will be that which is referred to in prophecy as “Jacob’s trouble.” At that time, the Israelites will have their “eyes” opened to recognize the workings of God in their midst. This will also be true of Gentile nations.—Jer. 30:7; Ezek. 38:23; 39:7

The enlightenment of all mankind will be one of the important functions of the kingdom agencies. The knowledge of the Lord will fill the earth as the waters cover the sea. (Isa. 11:9) The present “shaking” of Satan’s world is described in Zephaniah 3:8 as the “devouring” of the “earth” by the fire of

God's zeal. When this is accomplished, then the Lord will turn to the people "a pure language," or message, and unitedly they will call upon the Lord and serve him.—vs. 9

The enlightenment of the people concerning the true God and their desire to serve and obey him will prepare the way for them to receive other blessings of the kingdom. Through the atoning blood of Christ the penalty of death will be lifted, and this will lead to restoration of health and life for all who pass through the present time of great trouble into the kingdom period. Likewise, all those who have died will be awakened from the sleep of death. These also will be given an opportunity to believe and obey and be restored to perfection of human life and live forever.—Acts 24:15; I Cor. 15:21,22; Rev. 21:3-5

The signs of the times indicate beyond any question of a doubt that we are now living in the end of the present age of sin and selfishness, when the work of selecting those who will live and reign with Christ in his unmovable kingdom will soon be complete. This means that the "Sweet By and By" (Hymns of Dawn #66) of the world's golden age of blessing is now near, that soon the world's dark night of weeping will give way to the divinely promised morning of joy, when God "turneth the shadow of death into the morning."—Ps. 30:5; Amos 5:8

Let us, then, as we begin this new year, and in the short time we have for "receiving" joint-heirship with Jesus in his unmovable kingdom, give all diligence to make our calling and election sure. The time is indeed short, and in this "short time" may we zealously continue to serve the Lord as our opening text admonishes—with "reverence and godly fear." ■