

## The Christian Worldview Transcript

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Host: David Wheaton

Topic: Apocalyptic Economics and the Road to Revelation

Guest: Jay Richards, author, *Money, Greed, and God*

**DAVID WHEATON:** Apocalyptic Economics and the Road to Revelation. Jay Richards from the Discovery Institute joins us today here on The Christian Worldview where the mission is to think biblically about all matters of life and faith so that we can then live accordingly, and to share the Good News that Jesus Christ is who He claimed to be, the Way, the Truth and the Life; that His Word is both relevant and our basis for living in this modern world. I am David Wheaton, the host of The Christian Worldview. Our official website is TheChristianWorldview.com.

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I am so glad you joined us this weekend on The Christian Worldview. I don't think there could be a better timing for the topic we have, Apocalyptic Economics and the Road to Revelation. It is a little bit of a dramatic topic, but I think if you look around at the world economic situation, it is probably getting close to accurate. I was looking in the book of Revelation yesterday and in Revelation 13 we read about a global leader over the entire world called the Anti-Christ. We read about a global economic tyranny taking place where people can only engage in economic trade if they have the mark of this global leader. No mention of America anywhere in Revelation 13 by the way. If you look at Revelation 6:3 it talks about the third seal judgment, that there is hyperinflation, things cost way more than they typically cost. There is scarcity of resources in the world. Of course we have the great encouragement that Christ brings it all to an end when He returns to conquer and rule in Revelation 19.

This is the tribulation picture of what is coming forward in the world and whether you are a-mil or pre-mil or post-mil, you believe that this is a literal happenstance, that these things will take place on earth. People disagree with when but this is where the world is heading; it is the road to Revelation.

We don't know if this is a long way off or a short way off, but Jay Richards today, who is Senior Fellow at The Discovery Institute and has written the great book we had for our book club selection, *Money, Greed, and God; Why Capitalism is the Solution and not the Problem*. He joins us this morning from Seattle. It is early out there; Jay thanks so much for coming on the program today.

**JAY RICHARDS:** Great to be with you David.

**DAVID:** I appreciate you getting up early. This is a timely topic. We actually have had this scheduled for many weeks now and as I have been preparing this week for this program with you, it seems we are getting calls from all over the place now warning that we are headed for a double-dip recession. I just want to read you a couple of things before I ask you the first question. This from CNBC; The Dow Jones Industrial Average is repeating a pattern that appeared just before markets fell during the great depression, Daryl Guppy, CEO at GuppyTraders.com told CNBC. Those who don't remember history are doomed to repeat it. There was a head and shoulders pattern that developed before the depression in 1929 and then with the recovery in 1930, we had another head and shoulders pattern that preceded the fall in the market. In the current Dow situation, we see an exact repeat of that environment.

Now one more, I sent you this column. You probably read it in the Wall Street Journal by Art Laffer, Tax Hikes and the 2011 Economic Collapse. This was a few weeks ago in the Wall Street Journal. He says this, "In addition to the end of the Bush tax cuts, which come at the end of 2010, the prospect of rising prices, higher interest rates and more regulations next year will further entice demand and supply to be shifted from 2011 when the tax cuts sunset into this year, 2010. In my view, this shift of income and demand is a major reason that the economy in 2010 has appeared as strong as it has. When we pass the tax boundary of January 1, 2011, my best guess is that the train goes off the tracks and we get our worst nightmare of a severe double-dip

recession. The economy will collapse in 2011.” That is Art Laffer in a publication as noteworthy as the Wall Street Journal.

My first question for you, Jay Richards, is do you think this scenario is likely and will a full-blown depression like the 1930s be the result?

**JAY:** I would say that the fact that it is Laffer saying this; I don't want to say it is likely because I don't want to be a part of the cause of something like this by speaking overly pessimistically but I think it is a serious concern. Laffer, for those listeners who don't know who he is, he is the one in the 1980s that developed the so-called Laffer Curve which showed that there is an optimum amount of tax that the government could take out and if the government had too high of an income tax or various kind of taxes, the revenues actually go down or they flatten because people are disincentivized, they are discouraged from doing positive economic things. He argued that if taxes get above that threshold, the government could actually reduce tax rates and increase revenues because it would encourage people to put their money back into the system and get taxed. This was the theory in which Ronald Reagan cut taxes and then actually increased government revenues in the 1980s contrary to what a lot of economists said.

So Laffer has a really good track record with making these kinds of predictions. His point frankly, which I had not even thought of until I read his piece a few weeks ago in the Wall Street Journal, was that we have some positive indications this year of an increase in various types of economic activity but absolutely everyone knows about all these tax hikes or the dissolution of various tax breaks that started in 2002 and 2003. We know those are going to start in January 1, 2011 so what that means is that everyone who can buy or sell or take a bonus in 2010 is going to do that. Even if they would have done that in 2011 they are going to go ahead and do it in 2010 when the tax rates aren't as high. What that means is that we have an artificial bubble, an illusion if you will, that makes us think there is all this positive economic activity. In fact what is happening is people are front-loading economic activity because they are anticipating really bad tax climate coming in about six months. That is not a positive story.

**DAVID:** And could lead to a double-dip recession and possibly even a depression. This is not to be said lightly, this is a major deal. We are going through a difficult time economically with debt and everything else. To say it could get worse, contrary to what the President said, this is the summer of recovery, the facts and people who follow it closely say it doesn't match up.

We will link this article by Art Laffer, and we have another one by Americans for Tax Relief, on the TheChristianWorldview.com. You can go there and read these for yourself.

I want to get to stimulus because I have a lot to cover with you Jay. Again, Jay Richards joins up this morning on The Christian Worldview. He is a Senior Fellow at The Discovery Institute; Discovery.org is their website. He is also a Contributing Editor at The American Enterprise Institute. He blogs at Blog.American.com. Of course, you know him as the author of *Money, Greed and God*. He has been on the program for that a couple of times.

I would like you to explain Keynesian economics to us Jay because I am trying to figure out under what conditions does the economic theory that John Maynard Keynes developed 120 years ago, under what conditions does the Keynesian theory of stimulus spending ever work? Why do the leftists just live by it when there is no evidence or fact that it actually does what it is intended to do?

**JAY:** Keynes is considered in many ways the greatest economist of the earlier mid-20<sup>th</sup> Century. To sort of boil it down, the assumption of Keynesian economics is that when you have a depression or you have a recession, what you have is a demand problem. People aren't buying enough basically. So the government can put money into the economy that encourages people to spend money and that will get the whole cycle started off again. If you listen to the arguments, you can get lulled in to complacency in thinking that this sounds plausible. You don't realize that they tend to be talking in a circle because it violates our common sense. We know as individuals or families that if we are having economic problems; we don't get out of economic problems by spending more money. There might be some type of temporary fix. If you can get some credit cards and some nice line of credit, you might have a temporary boost because you can buy things and go on vacations but you know there is going to be a price to pay.

In the same way, it is possible that sometimes if the government does certain kinds of activities and puts money into the system temporarily by borrowing it from the future or borrowing it from the market, they can do some things. We know that common sense tells us that just as in the case of the individual, there is going to be a price to pay. Any money that the government spends, it has to get from somewhere. The government can't create wealth. The government can print money, but every time the government prints a dollar, that just makes all the rest of the dollars worth slightly less. The government can either borrow money from the future or sell a bunch of bonds and put that money into the economy. Every one of those dollars is in a dollar that a private investor can't borrow. They can't literally create wealth, so what we really have unfortunately is a shell game and almost all politicians are encouraged to do this.

Every politician, of course, has to stand for re-election or if you in the second term as the President, you want your fellow Congressmen and Senators to be re-elected. You have an incentive to do something that will help the economy in the short run, but to ignore the long-term costs because you will already be dead or out of office. That is the problem and that is why politicians always turn to these Keynesian solutions. They hope it will create a short-term boost enough to help them politically but they don't have to worry about the long run. In fact, Keynes himself said, when economists said what about the long run? Keynes said, In the long run we are all dead. Imagine that as an economic policy for the nation and you see how we got ourselves into this debt hole in the first place.

**DAVID:** It is great having a nihilist running our economic system today. We are speaking with Jay Richards today on The Christian Worldview. What we are doing is talking about the economic situation. We are going to do it in three different areas; the American situation, the world situation and finally into the Christian response and actually see if we are on the road to Revelation and what events or factors would cause us to head to that situation.

You mentioned all this stimulus, printing of money, borrowing and so we are going into debt levels that are previously unimaginable and unforeseen. Keynes said, we are going to all die in the end, but that is a little short sided because we know people will be living on after us. What are the ramifications of the debt we are incurring? What happens when we go into such great debt to China or print all this money? Haven't we always passed debt down to the next generation? Are there really consequences for this?

**JAY:** The other side of the equation is that our economy can grow. In theory, let's say your economy grows by 4% a year. You could borrow 3% and your growth would outstrip your borrowing. You could do that, just as you could do privately. If you spend 3% of your income and go into debt every year, but you get 10% richer every year, you are never going to be swamped by the debt. Unfortunately, we are not doing that. We are borrowing far more quickly than the economy is actually growing. In fact, we are borrowing so much that it is depressing economic growth.

There are just a couple of things ultimately that have to happen. If we just follow out the trajectory of the big three entitlements, Medicare, Medicaid and Social Security, between 2030 and 2050, the entire federal budget will be consumed by those three program. They are completely unsustainable. What is likely to happen is the government will inflate the currency.

(break)

**DAVID:** Here is verse from Proverbs 27:23, *Know well the condition of your flocks and pay attention to your herds for riches are not forever nor does a crown endure to all generations.* There is lots of application in there for us personally and for us as a country. The Bible is true then as it is today.

We are talking with Jay Richard today, who is a Senior Fellow of The Discovery Institute and also a contributing editor at the American Enterprise Institute. It is very difficult to figure out what is going on economically, not just because you get conflicting voices in the media, but probably because economics in and of itself can be a little complicated. One thing affects the other, the domino type of thing. If this happen, then that will affect this, and if that happens that will affect that and it goes around. Jay writes excellent pieces on economics and many other things at [Blog.American.com](http://Blog.American.com).

Jay, I want to play a sound bite from the President that he gave at the G20. I will ask you where he is going with these kinds of statements; what can we expect? Here is President Obama at the G20 Summit in Canada recently.

President Obama: "One of the interesting things that has happened over the last eighteen months as President is for some reason, people keep on being surprised when I do what I said I was going to do. I say I am going to reform our Health Care System and people think, gosh that is not smart politics, maybe we should hold off. Or I say we are going to move forward on Don't Ask, Don't Tell and somehow people say why are you doing that? I am not sure that is good politics. I am doing it because I said I was going to do it and I think it is the right thing to do. People should learn that lesson about me because next year when I start presenting some very difficult choices to the country, I hope some of these folks who are hollering about deficits and debt step up because I am calling their bluff. We will see how much of the political arguments they are making right now are real and how much of it was just politics. All right? Thank you very much everybody."

**DAVID:** Jay, it is an amazing sound bite to hear the sitting President of the United States speak like that. In as sense, I am doing what I said I was going to do, so get over it. Then what I want to ask you about is the second part of the sound bite where he said, basically "you ain't seen nothing yet", wait until next year. I am going to call their bluff. What does he mean there? What can we expect?

**JAY:** First it is quite clear by now that unlike President Clinton, President Obama is an ideologue and if anything he either doesn't care politically about the long term or what I think, he is thinking strategically rather than practically and he is willing to suffer short term political losses in order to increase the government's power for the long run. That is what we did with the health care act.

What I think what he is talking about when he said, I am going to call those people's bluffs, they are talking about deficits, what he is saying is that I am planning on raising taxes across the board. They are going to be painful, as he said, and that is the way we are going to solve the deficit. In other words, he is going to say, look if you are really concerned about the deficit, you are going to have to support my calls for a tax increase. It implies one, it is either the only way to decrease the deficit or even that it is one way to decrease the deficit that is to raise taxes.

The problem is that there are some circumstances where raising taxes are going to increase revenues. Let's say the tax rate is 0% and you raise it to 5%, it is likely obviously, the government is going to increase its revenues. There is a point beyond which it is actually counter-productive. You raise taxes above a certain level, as Art Laffer showed back in the 80s, people either quit working or they move their money out of taxable categories and can actually stagnate or reduce government revenues. If anything, we are already way past the bad side of the Laffer curve in which the government already has too high of a tax rate. Increasing taxes is unlikely to significantly increase government revenues so what we see is actually a tax increase that leads to greater deficits because it greatly suppresses economic growth. That is what I am afraid we are likely to see.

Unfortunately, I don't think Barack Obama understands basic economic principles, so he is not going to see this. It sounds like during one of the worst economic times we have had in a quarter century, he is going to push for massive tax increases across the board. In fact, there are so many of them on tap for January 1, 2011 that I can't even keep all of them straight.

**DAVID:** As you were talking about this, I was reading something literally about LeBron James signing with Miami instead of staying with Cleveland. One of the reasons he may have signed was because there is no state tax in Florida where he is not going to be playing. He has a \$100 million contract. If he had gone to New York, he would have had to pay \$12 million in taxes on his contract. It maybe even affects where NBA players play. It is pretty interesting how you just talked about with Art Laffer how people go where their money can be most protected.

I want to play a sound bite from a former Senator from Minnesota who is running for Governor, his name is Mark Dayton. He is from a very wealthy family here in Minnesota. They owned a huge department store chain. He was our Senator and now he is running for Governor. He is very left in his political view. I saw this

particular commercial. I am going to play the audio of you Jay. I actually recorded it because it was so astounding what he was saying in this commercial. It is the typical, I am going to tax those rich people and give it to the poor. He was just so blatant about it; you just can't even believe that anyone would fall for this. Let me play the audio. Here is Mark Dayton running for Governor of Minnesota in his recent 30-second commercial.

Mark Dayton will close the tax loopholes for the rich. "The richest Minnesotans can avoid paying their fair share of taxes and that will change when I am Governor." Same old story. It is nothing new. It would be great to see that happen. "I am going to take that money and I am going to invest it in our schools and make better quality education for our young people, for college students and their families who can't afford the tuition. I am going to make the richest people in Minnesota pay their fair share of taxes, so you pay less taxes." Isn't it time we had a government as good as our people? That is what we need. Governor for a better Minnesota.

**DAVID:** I am going to make the richest Minnesotans pay their fair share of taxes and give it to you guys so you don't have to pay so much. Just make me feel a little better this morning in that Christians listening to that wouldn't think, that is good, those rich people have too much and they can take that money and they can do things and they can help the poor and invest in education. Just tell me, do you think Christians can actually be deceived and buy into that?

**JAY:** Absolutely, I see it all the time. It is frankly depressing because that political is an exercise in envy. It is literally to the appeal of the envy of listeners. No politician ever says, vote for me and I am going to raise taxes on you. Politicians don't ever do that. What they might say in sort of class warfare rhetoric, vote for me and I am going to tax people that are richer than you more and give that money to you or to something else that you care about.

In any society, you are always going to have some people who are richer than others no matter how prosperous the society is. The richest 1% will always be 1% of the voting public, so a politician can always say, I am going to highly tax that 1% or 5% and he can count on reaching 95 – 99% of his listening audience.

Think how perverse this is that politicians basically say, I am going to treat richer than you differently and I am going to take from them and give to you or to things you care about. It is blatant envy. It is an appeal to sin, that citizens should be treated differently simply based upon their income. I wish that Christians would immediately realize that when they hear that, rather than thinking, oh this is great because this money will be distributed and help the poor and I am concerned about the poor. This is what we think about. We don't realize that there is a really basic moral point that it is blatantly an appeal to envy.

**DAVID:** What do you see as the one of two biggest flaws in Christian's thinking when it comes to taxation?

**JAY:** We have probably discussed the first one, but there is this assumption that the government taking money and giving it to someone else is an act of charity. So we tend to think of progressive income tax since we are supposed to help the poor, I can give the poor directly, through a ministry or I can have the government do it. In fact it is a complete fallacy because the government takes money coercively and redistributes it. It actually takes away an intrinsic aspect of charity, which is that it is voluntary, and freely given rather than coerced. When the government takes our money for these purposes, it robs us of the opportunity for virtue. The other is that we don't realize that you can increase taxes so high that you can actually decrease revenues and economic activity.

**DAVID:** Sometimes we forget that more taxes equals less liberty.

(break)

President Obama: I have said since I took office that my administration will not rest until every American who is able and ready and willing to work can find a job and a job that pays a decent wage and had decent benefits to support a family. We are not there yet. We have a long way to go, but what is absolutely clear is we are

moving in the right direction. We are headed in the right direction and that is the surest way out of this storm is to go forward not to go backwards.

**DAVID:** Moving in the right direction? Welcome back to The Christian Worldview radio program. Jay Richard joins us this morning on the program as we talk about apocalyptic economics and the road to Revelation. Jay, what did you think about that sound bite from President Obama talking about the fact that he is not going to rest until everyone has a job with a decent wage? This sounds vaguely socialistic to me that the government is going to be responsible for putting people to work.

**JAY:** Absolutely, it is very strange. There is no doubt that government policy can affect people's livelihoods and their employment opportunities but it is mostly indirectly. The government establishes and maintains the rule of law. There are sort of the preconditions in which you can have market activity that itself creates wealth but the government doesn't itself create jobs directly except for government jobs. Unfortunately we have seen a lot of growth in the federal government just since President Obama has taken office. It has been staggering not only in the numbers of people but also in pay. We keep seeing these stories every couple of weeks about how much higher government employees' income is compared to the average person in the private sector.

When you have the President basically promising people good jobs with good wages and benefits and vacations, it is a very strange thing. Except for government jobs, which of course take money from the private sector, the government can't do that. It is the private sector and businesses that actually create jobs. It is really frightening.

David, you putting these sound bites together, it is amazing how clear President Obama has been in the last few months about what he is planning to do. I don't think any of us are going to be able to say a year from now, well I really didn't realize just how radical this guy was. He is basically saying it. He says it usually in a calm, reassuring tone, but he is telling us what he is planning to do. He is planning a massive increase in taxes and huge confiscation of power by the federal government. I am inclined to believe that he is telling us the truth.

**DAVID:** If you are shocked by his policies, his worldview, I think you were woefully uninformed during the election. I am not surprised by anything that he is doing although it is shocking that it is just one thing after the other. You think, this guy does not have any sort of reticence to do whatever he was taught by his Communist mentor when he was younger, when he went off to the liberal colleges he attended. He is merely a product of a pretty full and comprehensive, socialistic, Marxist worldview being impressed upon him his whole life. The scary thing to me is the fact that actually more than 50% of the electorate actually put him in office. The American people, either they are ignorant about him or they actually think like him.

**JAY:** I do think it is probably the former rather than the latter. I don't think that many people were paying attention quite frankly. People were upset for various reasons after eight years of President Bush. A lot of those things would have happened under any President that President Bush got the blame for. President Obama seemed to represent change. He used that language. He seemed to be a positive figure. I remember the language he used about a post-partisan presidency in which he brought the various sides together. That is how he spoke.

It is like you, you look at his actual background, his studies, the things he has written and the fact that he sat and listened to sermons by Jeremiah Wright for twenty years. That is all I needed to know to say look no one with a sort of moderate sensibility would have been able to sit for twenty years and listen to this wild guy preach the radical message he had. Even your average liberal Christian wouldn't have been able to stand for it. That alone told us that there is something radical about this guy, but that is not how he sounded on the campaign trail. Tens of millions of Americans decided not to pay attention to the details of his background but listen to the nice words he said on the campaign trail.

**DAVID:** It felt good; I think that is what it came down to. It was a feel good moment in American history and they went for it. I think the very interesting thing will be what happens in the mid-term elections in 2010 but even more, whether he will be reelected in 2012. I can maybe give the country a bit of a pass for being uninformed, they are too focused on sports or whatever it is, but in 2012 if he is reelected doing what he has already done and now having a very clear picture of who he is, that is really very bad news for the country.

I want to ask our listeners, do you really think that our economic situation is apocalyptic like I say? We are heading towards this road to Revelation with a global economic system ruled by a very few number of people where there is going to be scarcity and significant economic turbulence. You have seen nothing yet right now.

Jay you have heard about the appointment, the recess appointment, it wasn't passed through the Senate. President Obama made the appointment without having it go through Senate confirmation of a new Director of Medicare and Medicaid. His name is Donald Berwick. I want to play you a little audio of Donald Berwick and get your comment on what type of worldview, from an economic standpoint, is going to be the new Director of Medicare and Medicaid. Here is Donald Berwick.

Donald Berwick: Please don't put your faith in market forces. It is a popular idea that Adam Smith's invisible hand would do a better job of designing care than leaders with plans can do. I do not agree. I find little evidence anywhere that market forces bluntly used that is just consumer choice among an array of products with competitors fighting it out, leads to the health care system that you want and need.

**DAVID:** All of the people the President surrounds himself with are completely anti free market, free enterprise, and private enterprise system and here is another example. What is this going to mean for our health care and Medicare and Medicaid system?

**JAY:** It is deeply troubling. Berwick has quite clearly said, look I am a socialist. I think economic planners can do things better than the free market. To say that he has never seen any evidence of this, what was the 20<sup>th</sup> Century? The 20<sup>th</sup> Century was a competition between free market economies in the West like the United States and planned economies. Whenever you take the kind of market signals that you have in a market that tell us how much a thing is supposed to cost and what is going to be produced and you try to get a government agent to plan, they can't do it. It is just like somebody in Washington, DC can't tell you exactly how much a gallon gas needs to be in Alabama at any particular moment because market forces are going to determine what the actual price is. They don't have access to the information.

The second thing is the Berwick apparently doesn't even understand the health care system we have. We don't have a free market health care system. We don't have people slugging it out in competition in the free market. That is why we almost never know how much we pay when we go to the doctor or have a medical service or buy a prescription. We have had third party payer health care since World War II. What we need is a free market health care system. If we did that, we would have just as much competition and competitive pricing as we have in every other part of the market whether it is food or consumer products. You think about a stereo now, when I was in high school, stereos cost \$2000. Now you can buy them for about \$50 and the sound is better. That is because we have had a free market for that. The reason we have the problems we have in health care is the result of a lack of a free market not too much of it. So Berwick is one, seems to be a socialist in his thinking and two, doesn't even know the kind of health care system we have had all these years.

**DAVID:** Let's go to Richmond, Virginia and Johnny. Welcome to The Christian Worldview, what is your question or comment for Jay Richards on the economic situation?

**JOHNNY:** I just had a question. What sources or sites can you tell Christians to go to so that they can be more informed about this? I am a big believer in time makes more converts than reason some times. I know time will tell. That is from Thomas Payne. Just to help other Christian brothers and sisters become more aware of what is going on.

**DAVID:** Good question. I think this is a good one Jay because whether you watch Fox or MSNBC, there are two different pictures. Then you go on the Internet and there are two different pictures conflicting. There are domino effects in economic policies and so forth. Where can people go? I know one site is Blog.America.com. What can you recommend?

**JAY:** I would also recommend the Acton Institute. I was at the Acton Institute for three years full time. Acton is the only organization in the world that specifically deals with the integration of the Judea-Christian moral tradition and free-market economics. There are a lot of libertarian economic sights that defend free markets

but they certainly don't do it from a Christian perspective. In fact, some of the folks quite frankly in the free market movement are quite hostile to Christianity. You might get good economic advice, but you get bad moral advice from some economic websites. If you go to Acton.org you are almost assured of getting good commentary that is theologically serious and economically informed on these things. I am quite frankly convinced, which is why I wrote the book Money, Greed and God, that most of the things Christians need to know about economics they can get just by thinking really hard about some basic issues even if they never have a course in economics.

(break)

**DAVID:** Let me ask you about Glen Beck. I watch Glen Beck occasionally. He has a gigantic television program. It is at 5 p.m. eastern every day. The ratings are so high for it, it is literally competing with the prime time, Bill O'Reilly programs on Fox, dominating everything else. What do you think about the type of content that is on his program? Some people call him sensational and a fear-monger. What do you think about Glen Beck?

**JAY:** I basically agree with him. Glen sometimes says things and I think, oh it wasn't quite nuanced enough. I wish he had said it this way, even though I think the point is basically right. He is doing something that a lot of people don't do. He basically calls it as he sees it. He says what a lot of other people are thinking, which is why I think he is so popular. He also quite clearly is doing research. He has an incredible research team and you can tell that he is learning as he is going on and he is sharing that knowledge with other people and I think it is infectious.

**DAVID:** I have to say that I have learned a lot about progressivism, the history of America through watching his programs. He does back it up well with facts. He plays the sound bites. The words come out of their mouths and so it is hard to refute and say it is just opinion-based journalism.

Let's go to Valentine, Nebraska and Lori. What is your question or comment for Jay Richards on the economic situation?

**LORI:** I hear a lot of people talking but I don't see any action. Churches are locked at night. Why aren't churches opening up their doors, showing the love of God to people instead of sitting around in a coffee shop or a Bible study complaining about socialism?

**DAVID:** Lori, fair question. Jay, what can churches and Christians do more to mitigate the great dependence that we are all getting on government?

**JAY:** I think we need to face the fact that the church has been complicit in this. Private charity, unfortunately, was quite vibrant in the beginning of the 20<sup>th</sup> Century and as the government entered the sector, the church more or less pulled out of it. Many of us do have the attitude that I gave at the office. Now in fairness, there are lots and lots of very good Christian ministries that are doing the kinds of things the caller spoke of. The truth of the matter is we need to be doing more. Just as much as we spend time complaining about these things, the church ought to be stepping forward. Every church is in a different situation. In some cases you have a soup kitchen, in some cases you have educational programs or you have voluntary health care with the physicians that are in the church. These kinds of things, these entrepreneurial charity acts need to be happening quite visibly in the church so that people can actually see us walking the walk and not just talking the talk.

**DAVID:** Let's go next to Paducah, Kentucky and Wayne welcome to The Christian Worldview. What is your question or comment on economics for Jay Richards?

**WAYNE:** I am enjoying your program. I really appreciate it. I wanted to ask Jay, in this current environment with all that is going on, what are you doing with your retirement funds and investable money?

**DAVID:** Great question Wayne, I had that one myself. What are you doing Jay with your investments or the money you have? What are you doing also to protect yourself against this possible collapse economically in the future?

**JAY:** Ironically, while it is always smart to save, at the moment my fear and we don't know when it is going to happen, but my fear is hyperinflation. It is the only plausible way I can see the government getting out of this. You inflate the money and then the debt is worth less so it is easier for the government to pay off. If you own a house or you have a mortgage with a fixed rate of interest, that is actually probably a good thing because that is not going to change, if we get 100% inflation or something like that. If you just sit on a lot of cash and you get hyperinflation then it ends up not being worth a lot. Certainly I think precious metals make sense. It is unfortunate when we put money in precious metals because it is just a sump for wealth. It doesn't create new wealth but it certainly is a hedge of protection.

Generally I encourage Christians to do what you would always do, be prudent and wise in your investments. We still need to work hard, we need to save and we need to be producing because that is always the other side of the equation. Humans haven't quit producing and creating new wealth. We are still doing that as well. I think our only hope if this isn't going to be disaster is that we are able to create more wealth than we consume or borrow. The day you have hyperinflation, cash ends up not being a very good investment unfortunately.

**DAVID:** Let's go to WestPoint, Mississippi and Norman, welcome to The Christian Worldview. What is your question or comment on economics for Jay Richards?

**NORMAN:** I just had a comment. I think we have really taken our eyes off the ball looking at this properly. This country has been headed in this direction for over thirty years. If you look back to 1981 with the S&L crisis, we didn't fix it; we just patched it up and went back to humming along. We have been doing this periodically as we go along. What has happened if you look at 2006, 2007 and 2008, people out in small town recognize that we had a serious problem because they were feeling it? It was people in government and people on Wall Street who did not recognize that we had a problem and we were about to collapse in 2008. I think that set up the situation where Barack Obama could be elected. I blame the Republican Party because they were in power when this thing happened.

**DAVID:** We are running out of time. It is a good point. We tend to say, look at all these policies that Obama is doing, what about the Republicans Jay Richards?

**JAY:** I would say in general, the Republicans have been less bad but that is not exactly serious praise. Both parties have been complicit. Certainly in the sub-prime mortgage mess, politicians in both parties thought it was a good idea to subsidize the buying of houses, to degrade eligibility standards all in the name of helping poor people afford housing. What we did over a period of about two decades is we have created a highly risky and unstable mortgage market that was all around the world and that effectively triggered the financial crisis that we are now suffering under. It happened when there was a Republican President in the White House but remember we have had both parties doing this. The best we can say is that the Republicans have been less bad on these points.

**DAVID:** Less bad, I like that. Last question really quick. The title of the show is Apocalyptic Economics and the Road to Revelation. What factors need to break apart for us to go into this global economy, global leader, scarcity, and this kind of thing?

**JAY:** David, I think that as always, we need to be hopeful and working hard as Christians. We never know for sure when the Lord is going to return, so we should not be in despair. I think we should be doing now, what we do every day, which is to watch and be careful and be hopeful and prayerful.

**DAVID:** Jay Richards, thank you again for coming on The Christian Worldview program and all of God's best to you and your family and with the great work you do with the Discovery Institute. Again you can read him at [Blog.American.com](http://Blog.American.com). Jay's words were good, we do live in a changing and challenging world everyone, but there is one thing you can count on, Jesus Christ and His word are the same yesterday, today and forever.