

MACRO ECONOMIC PRINCIPLES

The Role of Government and Christians in forming Government Policy

Countries that have observed basic Biblical values have created an environment where all of their citizens can prosper economically. Countries that have neglected these have the opposite.

Some principles that seem to be contained in God's Laws:

Principle#1 BASIC PROPERTY RIGHTS

Ex 3:8 ⁸ So I have come down to rescue them from the hand of the Egyptians and to bring them up out of that land into a good and spacious land, a land flowing with milk and honey—the home of the Canaanites, Hittites, Amorites, Perizzites, Hivites and Jebusites.

Concept of Sovereignty of State and the division of the land into areas that are occupied by the tribes.

Lev 25:10 ¹⁰ Consecrate the fiftieth year and proclaim liberty throughout the land to all its inhabitants. It shall be a jubilee for you; each one of you is to return to his family property and each to his own clan.

1. Protection of private property
2. Access to property
3. Proper process for exchanging property at fair value (Jubilee Principles)

Having an equitable system for transferring property and valuing the property at fair market value. **Lev 25**

Consider how every generation has new access to unencumbered property. See the difference between productive land and residential land (**Lev 25:29**).

Deut 19:14 ¹⁴ Do not move your neighbor's boundary stone set up by your predecessors in the inheritance you receive in the land the LORD your God is giving you to possess.

Principle#2 BALANCING THE BUDGET

Deut 8:7-9 ⁷ For the LORD your God is bringing you into a good land—a land with streams and pools of water, with springs flowing in the valleys and hills; ⁸ a land with wheat and barley, vines and fig trees, pomegranates, olive oil and honey; ⁹ a land where bread will not be scarce and you will lack nothing; a land where the rocks are iron and you can dig copper out of the hills.

Deut 28:9-12 ⁹ The LORD will establish you as his holy people, as he promised you on oath, if you keep the commands of the LORD your God and walk in his ways. ¹⁰ Then all the peoples on earth will see that you are called by the name of the LORD, and they will fear you. ¹¹ The LORD will grant you abundant prosperity—in the fruit of your womb, the young of your livestock and the crops of your ground—in the land he swore to your forefathers to give you.

¹² The LORD will open the heavens, the storehouse of his bounty, to send rain on your land in season and to bless all the work of your hands. You will lend to many nations but will borrow from none.

God's intention is that that which He supplies will bring a surplus so that the nation will lend to other nations. Conversely, if God's principles are ignored, the nation will run with a budget deficit.

2 Cor 9:10 ¹⁰ Now he who supplies seed to the sower and bread for food will also supply and increase your store of seed and will enlarge the harvest of your righteousness.

Deut 28:43 ⁴³ The alien who lives among you will rise above you higher and higher, but you will sink lower and lower.

Deut 28:33 ³³ A people that you do not know will eat what your land and labor produce, and you will have nothing but cruel oppression all your days.

If we eat the seed that should be sown, we will create a budget deficit. Fiscal deficits cannot continue indefinitely without severely weakening a country. Deficit spending can stimulate growth but if we continue deficit spending the economy will weaken.

Principle of settling debts within 7 years. **Deut 15:1** At the end of every seven years you must cancel debts.

and Lev 25

U.S. has four fifths of the world's deficits.

Principle#3 SAVINGS AND INVESTMENT ARE CRUCIAL TO ECONOMIC GROWTH

Gen 41:33-36 ³³ “And now let Pharaoh look for a discerning and wise man and put him in charge of the land of Egypt. ³⁴ Let Pharaoh appoint commissioners over the land to take a fifth of the harvest of Egypt during the seven years of abundance. ³⁵ They should collect all the food of these good years that are coming and store up the grain under the authority of Pharaoh, to be kept in the cities for food. ³⁶ This food should be held in reserve for the country, to be used during the seven years of famine that will come upon Egypt, so that the country may not be ruined by the famine.”

Gen 41:48-49 ⁴⁸ Joseph collected all the food produced in those seven years of abundance in Egypt and stored it in the cities. In each city he put the food grown in the fields surrounding it. ⁴⁹ Joseph stored up huge quantities of grain, like the sand of the sea; it was so much that he stopped keeping records because it was beyond measure.

Gen 41:57 ⁵⁷ And all the countries came to Egypt to buy grain from Joseph, because the famine was severe in all the world.

Deut 28:3-4 ³ You will be blessed in the city and blessed in the country. ⁴ The fruit of your womb will be blessed, and the crops of your land and the young of your livestock—the calves of your herds and the lambs of your flocks.

We need land and herds so that God can bless us with crops and young. Principle of trees and fruit – see **Genesis 30:29-43** – Jacob acquires a herd.

2 Cor 9:6 ⁶ Remember this: Whoever sows sparingly will also reap sparingly, and whoever sows generously will also reap generously.

Countries that invest more grow more e.g. Japan, Singapore and China.

Countries that do not invest cannot compete for long - Mexico, South Africa.

Education is a very significant part of investment.

Prov 3:13-15 ¹³ Blessed is the man who finds wisdom, the man who gains understanding, ¹⁴ for she is more profitable than silver and yields better returns than gold. ¹⁵ She is more precious than rubies; nothing you desire can compare with her.

Principle#4 STRONG AND JUST CENTRAL BANKING SYSTEM WHICH IS NON-INFLATIONARY

Lev 19:36 ³⁶ Use honest scales and honest weights, an honest ephah and an honest hin. I am the LORD your God, who brought you out of Egypt.

Deut 25:13-16 ¹³ Do not have two differing weights in your bag—one heavy, one light. ¹⁴ Do not have two differing measures in your house—one large, one small. ¹⁵ You must have accurate and honest weights and measures, so that you may live long in the land the LORD your God is giving you. ¹⁶ For the LORD your God detests anyone who does these things, anyone who deals dishonestly.

Shaving of coins: printing of money which produces excess liquidity.

When we attach a false value to our weight/ coins we produce inflation.

Lev 25:35-37 ³⁵ “If one of your countrymen becomes poor and is unable to support himself among you, help him as you would an alien or a temporary resident, so he can continue to live among you. ³⁶ Do not take interest of any kind from him, but fear your God, so that your countryman may continue to live among you. ³⁷ You must not lend him money at interest or sell him food at a profit.

Comment: To examine the basis of banking which provides allows for no profit on loans to the poor/ Israelites – no usury.

Deut 15:1 At the end of every seven years you must cancel debts.

Consider the principle of structuring debt over seven years and of cancellation of debt.

Principle#5 EQUITY AND FAIRNESS IN TRADING: NO RESTRICTIVE UNFAIR PRACTICES.

Isa 58:6 ⁶ “Is not this the kind of fasting I have chosen: to loose the chains of injustice and untie the cords of the yoke, to set the oppressed free and break every yoke?”

Deut 24:14 ¹⁴ Do not take advantage of a hired man who is poor and needy, whether he is a brother Israelite or an alien living in one of your towns.

Deut 24:10,17 ¹⁰ When you make a loan of any kind to your neighbor, do not go into his house to get what he is offering as a pledge.

¹⁷ Do not deprive the alien or the fatherless of justice, or take the cloak of the widow as a pledge.

Deut 26:6-7 ⁶ But the Egyptians mistreated us and made us suffer, putting us to hard labor. ⁷ Then we cried out to the LORD, the God of our fathers, and the LORD heard our voice and saw our misery, toil and oppression.

Comment: Consider legislative and economic practices which give disadvantages and create injustice.

Principle#6 CREATING A FAIR LABOR MARKET WHICH IS FLEXIBLE AND HARD WORKING

Deut 24:14 ¹⁴ Do not take advantage of a hired man who is poor and needy, whether he is a brother Israelite or an alien living in one of your towns.

Deut 25:4 ⁴ Do not muzzle an ox while it is treading out the grain.

Deut 26:6-8 ⁶ But the Egyptians mistreated us and made us suffer, putting us to hard labor. ⁷ Then we cried out to the LORD, the God of our fathers, and the LORD heard our voice and saw our misery, toil and oppression. ⁸ So the LORD brought us out of Egypt with a mighty hand and an outstretched arm, with great terror and with miraculous signs and wonders.

2 Thess 3:6-10 ⁶ In the name of the Lord Jesus Christ, we command you, brothers, to keep away from every brother who is idle and does not live according to the teaching you received from us. ⁷ For you yourselves know how you ought to follow our example. We were not idle when we were with you, ⁸ nor did we eat anyone's food without paying for it. On the contrary, we worked night and day, laboring and toiling so that we would not be a burden to any of you. ⁹ We did this, not because we do not have the right to such help, but in order to make ourselves a model for you to follow. ¹⁰ For even when we were with you, we gave you this rule: "If a man will not work, he shall not eat."

Mal 3:5 ⁵ "So I will come near to you for judgment. I will be quick to testify against sorcerers, adulterers and perjurers, against those who defraud laborers of their wages, who oppress the widows and the fatherless, and deprive aliens of justice, but do not fear me," says the LORD Almighty.

Matt 20:13-15 ¹³ "But he answered one of them, 'Friend, I am not being unfair to you. Didn't you agree to work for a denarius?' ¹⁴ Take your pay and go. I want to give the man who was hired last the same as I gave you. ¹⁵ Don't I have the right to do what I want with my own money? Or are you envious because I am generous?'

Comment: List of numerous scriptures from Proverbs concerning laziness and rewards for hard work plus

Eph 4:28 ²⁸ He who has been stealing must steal no longer, but must work, doing something useful with his own hands, that he may have something to share with those in need.

Principle#7 SMALL CENTRAL GOVERNMENT

See principles of Solomon **Deut 17:14-20**

Problem of corruption and income inequality arises with mismanagement of countries natural resources e.g. gold, oil etc.

Principle#8 BALANCE BETWEEN RICH AND POOR

Crucial in maintaining economic stability. Much said about the protection of the poor, but this is also beneficial for the rich.

Deut 15:4,7-11 ⁴ However, there should be no poor among you, for in the land the LORD your God is giving you to possess as your inheritance, he will richly bless you, ⁷ If there is a poor man among your brothers in any of the towns of the land that the LORD your God is giving you, do not be hardhearted or tightfisted toward your poor brother. ⁸ Rather be openhanded and freely lend him whatever he needs. ⁹ Be careful not to harbor this wicked thought: “The seventh year, the year for canceling debts, is near,” so that you do not show ill will toward your needy brother and give him nothing. He may then appeal to the LORD against you, and you will be found guilty of sin. ¹⁰ Give generously to him and do so without a grudging heart; then because of this the LORD your God will bless you in all your work and in everything you put your hand to. ¹¹ There will always be poor people in the land. Therefore I command you to be openhanded toward your brothers and toward the poor and needy in your land.

Comment: the world is governed by political boundaries, but great injustice has been established by economic boundaries. Global perspective is needed to balance these. Inequalities will lead to increased terrorism and the fuelling of wars. Confessions of an Economic Hitman – deliberate exploitation of the poor through economic strategy. God’s warnings in Proverbs and throughout the history of Israel.

Sodom and Gomorrah **Eze 16:49** ⁴⁹ “Now this was the sin of your sister Sodom: She and her daughters were arrogant, overfed and unconcerned; they did not help the poor and needy.

Amos 4:1-2 Hear this word, you cows of Bashan on Mount Samaria, you women who oppress the poor and crush the needy and say to your husbands, “Bring us some drinks!” ² The Sovereign LORD has sworn by his holiness: “The time will surely come when you will be taken away with hooks, the last of you with fishhooks.

Amos 5:11-12 ¹¹ You trample on the poor and force him to give you grain.

Therefore, though you have built stone mansions, you will not live in them; though you have planted lush vineyards, you will not drink their wine. ¹² For I know how many are your offenses and how great your sins. You oppress the righteous and take bribes and you deprive the poor of justice in the courts.

COMMENTS

Almost all regions have current account surplus or a small deficit. USA has 4/5 of the world's deficits. US has attracted foreign savings to fund investments for two decades. But now has gone into negative domestic savings – first time since the Great Depression.

Charles Wesley Earn as much as you can, Save as much as you can, Give as much as you can.