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The Character of Inflation

Steven Alan Samson

Blessed be the God and Father of our Lord Jesus Christ, which according to his abundant mercy hath begotten us again unto a lively hope by the resurrection of Jesus Christ from the dead, To an inheritance incorruptible, and undefiled, and that fadeth not away, reserved in heaven for you, Who are kept by the power of God through faith unto salvation ready to be revealed in the last time. Wherein ye greatly rejoice, though now for a season, if need be, ye are in heaviness through manifold temptations: That the trial of your faith, being much more precious than gold that perisheth, though it be tried with fire, might be found unto praise and honour and glory at the appearing of Jesus Christ: Whom not having seen, ye love; in whom, though now ye see him not, yet believing, ye rejoice with joy unspeakable and full of glory: Receiving the end of your faith, even the salvation of your souls. (1 Pet. 1:3-9)

And for this cause God shall send them strong delusion, that they should believe a lie: That they all might be damned who believed not the truth, but had pleasure in unrighteousness. (2 Thes. 2:11-12)

God sets the standard of justice and righteousness by which individuals and nations alike are measured. Justice and injustice are manifested, first, governmentally in the character of individuals and nations; and, second, economically in the character of exchange. And whether in reference to the character of individuals, nations, or economic practices, the Bible frequently uses metallic metaphors — for example, gold and silver — to describe the quality of character, and how it is tried and purified in the refiner's fire.

“Character,” in the Greek, means “engraving” or “image.” Our character is a mark or seal of our ownership, a sign of our kinship or citizenship. In Gen. 1:26, God said: “Let us make man in our image, after our likeness.” Furthermore, in Eph. 1:13-14, believers are “sealed with that holy Spirit of promise, which is the earnest of our inheritance until the redemption of the purchased possession, unto the praise of his glory.” The hallmark of God's workmanship will be evident on all whose character bears the stamp of God's royal signet ring.

But rebellious, unrighteous men have long tried to erase or obliterate the image of God from their lives so that they might worship graven images — idols — of their own invention. As Jesus observed in Mt. 6:24: “No man can serve two masters.... Ye cannot serve God and mammon.” Jesus made a similar point in Mt. 22:15-21:

Then went the Pharisees, and took counsel how they might entangle him in his talk. And they sent out unto him their disciples with the Herodians, saying, Master, we know that thou art true, and teachest the way of God in truth, neither carest thou for any man: for thou regardest not the person of men. Tell us therefore, What thinkest thou? Is it lawful to give tribute unto Caesar, or not? But Jesus perceived their wickedness, and said, Why tempt ye me, ye hypocrites? Shew me the tribute money. And they brought unto him a penny. And he saith unto them, Whose is this image and superscription? They say unto him, Caesar's. Then saith he unto them, Render therefore unto Caesar the things which are Caesar's; and unto God the things that are God's.

Few people seem to know the difference today.

The Apostle Paul in Rom. 1:21-23 may have been thinking of such people when he wrote that "their foolish heart was darkened. Professing themselves to be wise, they became fools, and changed the glory of the incorruptible God into an image made like to corruptible man...." It is a poor exchange, as Jesus says in Mt. 16:26: "For what is a man profited, if he shall gain the whole world, and lose his own soul? or what shall a man give in exchange for his soul?" The great literature of the western cultural tradition, which is based in part on Biblical Christianity, has posed this question again and again in so many ways.

In Is. 64:8, man is likened to clay: "But now, O Lord, thou art our father; we are the clay, and thou art our potter; and we all are the work of thy hand." In Pr. 7:2-3, man's heart is likened to a clay tablet: "Keep my commandments and live; and my law as the apple of thine eye. Bind them upon thy fingers, write them upon the table of thine heart." The Apostle Paul wrote in 2 Cor. 3:3 that the Christians in Corinth were the epistle, or message, of Christ, written "not in tables of stone, but in fleshy tables of the heart." Jer. 2:22 notes how the iniquity of Israel was similarly "marked" or engraved: "For though thou wash thee with nitre, and take thee much soap, yet thine iniquity is marked before me, saith the Lord God." Thus for better and for worse, our character is stamped on our hearts. Jer. 17:1 is even more explicit: "The sin of Judah is written with a pen of iron, and with the point of a diamond: it is graven on the table of the heart." These words might as easily describe the recording and playing of a phonograph disk.

Like an old Victrola, the life of a man articulates "his master's voice." The quality of the performance reflects the quality of the recording. Thus it is important for God's people to be cleansed of all unrighteousness and to be inscribed by the word of God alone. As the Reformers put it: *Sola Scriptura*. And also: *Soli Deo gloria*. The glory belongs to God alone.

God is the master craftsman. His injunctions against graven images in the Bible show that he hates forgeries and counterfeits. We are the work of his hand. As our author, he holds the copyright. Anything that suggests otherwise is an abomination.

Proverbs 4:23 says: "Keep thy heart with all diligence; for out of it are the issues of life." The issues of our heart are like a trademark. They identify our true allegiance. Referring to the coming Messiah, Mal. 3:2-3 says: "He is like a refiner's fire, and like fullers' soap. And he shall sit as a refiner and purifier of silver." Concerning backslidden Judah, God says in Jer. 9:7: "Behold, I will melt them, and try them." God in his holiness cannot abide impurity. The way God shapes our lives and "tests our mettle" is repeatedly illustrated through analogies with the smelting of gold and silver.

The word "gold" in the Old Testament is often preceded by the word "pure." Gold is not found in a state of purity. Instead, it must be refined before it is fit, for example, to be fashioned into the "vessel unto honour" mentioned in 2 Tim. 2:20. This vessel or tablet is made holy through the inscription of God's word. Minding what 2 Cor. 3:3 says about the "fleshly tables of the heart," we find similar imagery in 2 Cor. 4:6-7: "For God, who commanded the light to shine out of darkness, hath shined in our hearts, to give the light of the knowledge of the glory of God in the face of Jesus Christ. But we have this treasure in earthen vessels, that the excellency of the power may be of God, and not of us."

Indeed, character *is* this treasure in earthen vessels. It is the product of God's refining fire. This may be seen in numerous Bible stories concerning a wide range of matters: Israel, the church, the lives of individuals, and creation itself. Is. 48:10 says that God chose Israel "in the furnace of affliction." In a New Testament passage that speaks of the church, 1 Pet. 4:12-17, the Apostle Peter warns of a "fiery trial which is to try you." The same is true of individuals, as we may see in Pr. 17:3: "The fining pot is for silver, and the furnace for gold; but the LORD trieth the hearts." This process of refinement extends even to the melting of the elements by fire under God's judgment, as in 2 Pet. 3:10: "But the day of the Lord will come as a thief in the night; in the which the heavens shall pass away with a great noise, and the elements shall melt with fervent heat, the earth also and the works that are therein shall be burned up."

As with the character of individuals and nations, so too with the character of economies. Let us consider how these lessons apply to the practical everyday world of our own time, using the example of inflation. God blesses the righteous with prosperity. As Moses said to the people of

Israel in Dt. 29:9: "Keep therefore the words of this covenant, and do them, that ye may prosper in all that ye do." Proverbs 14:34 says: "Righteousness exalteth a nation: but sin is a reproach to any people." Economic injustice, like any other sin, must be purged. Proverbs 25:4 says: "Take away the dross from the silver, and there shall come forth a vessel for the finer." This imagery reminds us of the silly excuses we make for yielding to temptation. As Aaron said in Ex. 32:24: "And I said unto them, whoever hath any gold, let them break it off. So they gave it me: then I cast it into the fire, and there came out this calf."

Fraud, in particular, strikes at the heart of society by destroying the common faith or trust that makes unity possible. Noah Webster defined fraud as "a stratagem intended to gain some undue advantage." It debases the common currency of social exchange. Likewise inflation — a type of fraud — undermines faith in the economy by tampering with the medium of exchange. Inflation depreciates money by removing its standard of value — that is, its backing in gold or silver coin (*specie*) — or by debasing the metals themselves.

Inflation, then, is a reflection of the character of exchange between men and nations. Like a phonograph disk, it accurately renders the true qualities of the recorded performance. It resonates from the depths of people's hearts. Indeed, it is an epistle: a message concerning their character and loyalties. This is why Jesus enjoins us in Mt. 6:20-21 to lay up for ourselves "treasures in heaven: For where our treasure is, there will our hearts be also."

But a caution is in order. The same set of commandments that forbids coveting and stealing also forbids idolatry. Jesus makes the sequence of events clear in Lk. 16:10 when he speaks of the mammon of righteousness: "He that is faithful in that which is least is faithful also in much: and he that is unjust in the least is unjust also in much." The sinner ends by exalting his sin over God. Again, no man can serve two masters.

Inflation, like sin, begins with a desire "to gain some undue advantage." The sins of coveting and stealing may be recognized in such ancient practices as the clipping of coins and the abasing of metals. Having guarded against the first by adding serrated edges, we have instead chosen the second option by adding base metals like copper and lead to our coins. But either practice may be called inflationary. Furthermore, these early types of inflation have been succeeded by fiat money inflation.

Fiat money is unbacked paper currency. When currency lacks a fixed standard of value in gold or silver, it can easily be inflated — that is,

depreciated or diminished in value — by the issuing agency. In America, this agency is the Federal Reserve Board, working in conjunction with the Treasury Department. Noah Webster pointed out that “the issue of a super-abundance of notes depreciates them, or depreciates their value.... A paper currency will depreciate, unless it is convertible into specie.” Such notes were once issued by private banks. Today it is the civil government, backed by the power of the sword, that controls the purse and enjoys a monopoly on the issuing of paper currency. Exchange has thus become deceptive and coercive, rather than voluntary, in character. Furthermore, by requiring that paper money be accepted for the payment of debts, legal tender laws provide the essential element of coercion that upholds our current inflationary — and occasional deflationary — policies.

But there is nothing new about inflation in our country’s history. Concerning colonial American inflation, Simon L. Adler observed that paper issued by Virginia in 1775 “soon began to depreciate and it was found before long that a piece of eight worth about five shillings, ten pence by proclamation would buy as much as six shillings in paper. But the paper was the legal money of the colony and the Legislature ordered that a piece of eight should pass legally at six shillings.” This illustrates how the principle of legal tender works. Its usual effect is to encourage hoarding. According to Gresham’s Law: “Bad money drives out good.” By the way, this rule applies just as much to personal character as suggested by the traditional proverb: “Bad company corrupts good morals.”

Colonial policy was guided by a desire to keep gold and silver coins of all kinds in the country because of their intrinsic value. The object was to stay as economically independent of Britain as possible. But the inflationary practices of the states during the War for Independence virtually bankrupted the new country.

The word “inflation” itself is misleading unless it is understood that inflation simply “puffs up” money, stretching it just as hot air stretches the surface of a balloon. It simply redistributes wealth without adding to it. Unfortunately, the wealth is generally lifted from the pocket of the taxpayer and slipped into the pocket of the civil government and its partners. It is a type of money laundering. But it does not clean our filthy lucre. It just cleans *us* out. Inflation may thus be regarded as a hidden tax as well as a wealth transference scheme. It fits hand and glove with the “buy now, pay later” philosophy that now pervades our nation. The problem is larceny in our hearts. Our economy is built on compulsive debt.

One type of inflation — the addition or substitution of alloys and mixtures — is expressly condemned in Scripture. Isaiah 1:22 records the following about Judah: “Thy silver is become dross, thy wine mixed with water.” Such wine may be contrasted with the new wine Jesus supplied to the wedding guests at Cana. The debasing or depreciating of a commodity, such as money, has the opposite result from the refining fire through which God tempers the character. Sometimes the corruption becomes irreversible, as in Jer. 6:29-30: “The bellows are burned, the lead is consumed by the fire; the founder melteth in vain: for the wicked are not plucked away. Reprobate silver shall men call them, because the LORD hath rejected them.” And for what cause did God judge Jerusalem? Jeremiah 6:6-7 mentions oppression, violence, and spoilage: “She is wholly oppression in the midst of her. As a fountain casteth out her waters, so she casteth out her wickedness: violence and spoil is heard in her, before me continually is grief and wounds.” The root problem, however, was covetousness, as Jer. 6:13 makes clear: “For from the least of them even unto the greatest of them every one is given to covetousness; and from the prophet even unto the priest every one dealeth falsely.”

Ezekiel 22:13-31 contains references to virtually all the problems and principles that have been examined up to this point. Jerusalem is described as being punished for corrupt financial practices in v. 13: “Behold, therefore I have smitten mine hand at thy dishonest gain which thou hast made, and at thy blood which hath been in the midst of thee.” In verses 18-22 the prophet says:

Son of man, the house of Israel is to me become dross: all they are brass, and tin, and iron, and lead, in the midst of the furnace; they are even the dross of silver. Therefore thus saith the Lord God; Because ye are all become dross, behold, therefore I will gather you into the midst of Jerusalem. As they gather silver, and brass, and iron, and lead, and tin, into the midst of the furnace, to blow the fire upon it; so I will gather you in mine anger and in my fury, and I will leave you there, and melt you. Yea, I will gather you, and blow upon you in the fire of my wrath, and ye shall be melted in the midst thereof. As silver is melted in the midst of the furnace, so shall ye be melted in the midst thereof; and ye shall know that I the Lord have poured out my fury upon you.

In verses 25-28 the prophets, priests, and princes are each singled out for condemnation. Finally, in verses 29-30, so are all the people: “The people of the land have used oppression, and exercised robbery, and have vexed the poor and needy: yea, they have oppressed the stranger wrongfully. And I sought for a man among them, that should make up the hedge, and stand

in the gap before me for the land, that I should not destroy it: but I found none." This is a clear warning to slackers within the church.

Those who seek dishonest gain through inflationary practices must likewise pay the inescapable consequences. One major effect of inflation is the stifling of investment. Inflation and other forms of economic injustice are defrauding the public and decapitalizing our economy. Like Esau, we are despising our birthright — the accumulated cultural capital of past generations — and selling it for pottage. Our industries are becoming less and less capable of competing on the world market because they are squeezed between wages that are often unrealistically high and inflexible, sliding interest rates, stringent regulations, a scarcity of money for loans, and a general psychology of uneasiness, or malaise, that fosters a strong desire for security at the cost of an unwillingness to assume financial risks without a tax-subsidized safety net at hand.

Even when inflation is kept relatively low, as it seems to be now, it is still one element — a very important one — of a paternalistic mentality that concentrates power in the central government as it erodes the foundations that support the system. The result is a deliberate elevation — by citizens, politicians, and technical experts — of short-run gain above godly wisdom and justice. As Solomon observed in Pr. 1:32, "the prosperity of fools shall destroy them."

To sum up: Our works are a reflection of our character and the quality of our faith. Lawful gain is good. Prosperity is a blessing. But we must keep our priorities straight. Ps. 19:9-10 says: "The judgments of the LORD are true and righteous altogether. More to be desired are they than gold, yea, than much fine gold." We must build on the tried and true foundation of godly discernment with pure materials that can withstand the refiner's fire. As Paul says in 1 Cor. 3:11-15:

For other foundation can no man lay than that is laid, which is Jesus Christ. Now if any man build upon this foundation gold, silver, precious stones, wood, hay, stubble; Every man's work shall be made manifest: for the day shall declare it, because it shall be revealed by the fire; and the fire shall try every man's work what sort it is. If any man's work abide which he hath built thereupon, he shall receive a reward. If any man's work shall be burned, he shall suffer loss: but he himself shall be saved; yet so as by fire.

As Jas. 1:12 tells us: "Blessed is the man that endureth temptation: for when he is tried, he shall receive the crown of life, which the Lord hath promised to them that love him." In Ex. 39:30 we see that the glorious crown of the high priest bore God's hallmark: "And they made the plate of

the holy crown of pure gold, and wrote upon it a writing, like to the engravings of a signet, HOLY TO THE LORD." Perhaps our crown shall be inscribed in the same way. But we should always keep in mind that, unlike charity, which is not "puffed up," the works of inflation — that is, "the mammon of unrighteousness" (Lk. 16:9) — will not be counted among our "treasures in heaven" (Mt. 6:20). In other words, "You can't take it with you."