

The Coming Economic Armageddon

The Spreading Virus of Global Debt

Greece sneezes and Portugal catches a cold. Portugal coughs and Spain falls ill. Spain runs a fever and Italy comes down with the flu.” They call it *financial contagion* . . . the corrupting, fast-spreading influence of debt on the world economy.

This debt virus has infected an economic system that is teetering on the edge of bankruptcy. Greece is not its only victim. Belgium and Iceland were among the first to succumb. The Greek strain, however, is the most viral, and it is spreading its sickness among the other nations in the euro zone. There is great concern that this fearbased epidemic is filtering into the United States. Some argue that it is already here.

The most noticeable evidence of financial contagion is the continued borrowing of money by governments for the purpose of living beyond their means. In May 2009, representatives of the European Union (EU) and the International Monetary Fund (IMF) held latenight and early morning sessions hoping to stabilize world markets by earmarking nearly \$1 trillion for further bailouts. In a statement released to the world press, the leaders said, “Each one of us is ready, depending on the situation of his country, to take the necessary measures to accelerate consolidation and to ensure the sustainability of public finances.”

As global financial earthquakes continue to increase in frequency and intensity, many are beginning to wonder if we are on the threshold of Armageddon!

Armageddon . It’s a ten-letter word—four vowels and six consonants— worth a minimum of fifteen points in a game of Scrabble. Often misspelled and mispronounced, it is just as often misapplied. According to the dictionary, *Armageddon* has been a recognized word in the English language since the 1300s. It can refer to three things: the place of a future “final and conclusive” war between good and evil; the name of that specific battle; or a massive conflict or confrontation. Of course, as Christians know, the word *Armageddon* is from the Bible, designating the world’s final, climactic battle that will be fought on the plains of Megiddo.

Drawing its power from that biblical imagery, in today’s common usage the word refers to any event of cataclysmic proportion, such as that experienced by the major stock-trading boards at the end of 2008. Geoff Colvin, a senior editor at *Fortune* , declared in an article that October: “This isn’t Armageddon.” But by spring of 2009 many thought perhaps it was. Allan Roth wrote in a recent *CBS Market Watch* blog that until March 9, 2009, when the financial market made a turnaround, he thought that “Armageddon was clearly upon us as capitalism was declared dead and buried with the Great Depression ahead.” In his review one year later, with U.S. stocks up significantly, he wrote, “Hope has indeed come back . . . in the good times since Armageddon.”

President Obama adapted the word and dubbed the record snowfalls that crippled Washington, D.C., in early 2010 as *Snowmageddon* . In the hectic hours leading up to the 2010 vote on the American healthcare bill, House Minority Leader John Boehner referred to that critical period in American history as “Armageddon,” concluding that the proposed bill will “ruin our country.”

I chose to use that word in the title of this book because it pictures the catastrophic conditions that will prevail on the earth in the end times and because many of those conditions are beginning to be visible today. For the past three years, I have devoted my study to the identification and understanding of these prophetic attributes.

Somewhere in the middle of my investigation, I began to notice a financial thread running through the center of these end-time events, and it wasn’t long before I could see how that thread pulled

things together.

The ten chapters of this book are about these end-time occurrences and the financial warnings that are pointing us toward the Armageddon of the Bible. While that Armageddon is still in the future, the trembling of our financial foundations is a call for us to “awake out of sleep; for now our salvation is nearer than when we first believed” (Romans 13:11).

There is something about catastrophes of “biblical proportions” to which we seem to gravitate. The title of Mark Moring’s article in the March 2010 edition of *Christianity Today* declared, “It’s the end of the world, and we love it.” Moring points out that the growth in theater revenue since the current recession began is not surprising; it follows a trend that began in the hard times of the Great Depression of the 1930s. In 2009 a record \$10 billion was spent at the box office, and attendance was up 4.5 percent despite the record high unemployment rate, which led to drastic cuts in many other areas of consumer spending. The movies that garnered record attendances included end-of-the-world offerings such as: *Transformers: Revenge of the Fallen*, 2012, *Terminator Salvation*, and *The Road*. The trend continued in the early months of 2010 with *The Book of Eli* and *Legion*. Several others of a similar genre are scheduled for release later in the year.

And let’s not forget that the best-selling Christian fiction series of all time was the twelve original volumes of the Left Behind series by Tim LaHaye and Jerry Jenkins, which sold more than 63 million copies over a period of fifteen years.

Why is there so much interest in entertainment that majors on the apocalyptic themes of the Bible? Moring suggests that “in a fear-filled world where war, terrorism, and economic collapse bring the question of death and the afterlife to the fore, the film industry has delivered more stories to fuel the question—though not always providing answers.”

I believe that much about the future of this world has been revealed to us in the prophetic pages of the Bible. In the following chapters we will explore together the answers we find there.

We begin with a look at the state of the American economy, which is still deteriorating and threatening to collapse. Although there are glimmers of hope, unemployment is at near-record highs in most of the country, and in my home state of California, it continues to rise.

In October 2009, according to the Labor Department’s report, the National Unemployment Rate had risen to 10.2 percent, more than doubling the rate when the financial crisis began to be evident in December 2007. The unemployment report issued in June 2010 indicated that the seasonally adjusted unemployment rate in the country was down slightly to 9.7 percent. But in California it was still above 12 percent, and there was little hope for any major move downward.

Since percentages tend to be very impersonal, let’s look at this statistic in another way. These cold numbers translate into the fact that nationally more than 17 million real people—sisters, brothers, neighbors, maybe you—are unemployed and looking for work. As of the end of May 2010, 46 percent (6.8 million) had been unemployed for more than twenty-seven weeks. Add to that another 8.8 million workers who had become “involuntary part-time workers” since their hours were cut. Another 2.2 million had given up looking for work in the four weeks previous to the Bureau of Labor Statistics report and were not included in the unemployed figure. The total unemployed in May 2010 was 17.2 million.

According to my calculations, that means there are 26 million would-be full-time workers in our country today in some degree of financial distress related to unemployment. That “more than 49 million Americans—one in seven—struggled to get enough to eat” was only one indication of the severity of the recession in the United States. More than 11 million homes nationwide are now “underwater”—that is, worth significantly less than the mortgage owed on them. According to the Federal Reserve, the collapsing housing market has produced a \$7 trillion loss in value from late

2006 through the end of 2009.

The overflow of unemployment pain reaches even beyond immediate families into the community at large where increased unemployment has added to the already burgeoning crisis in Social Security and Medicare. It is projected that in 2010 Social Security programs alone will “pay out more in benefits than they receive in payroll taxes.” Unemployed workers do not contribute to Social Security or Medicare programs, which means the number of recipients is rising while the number of contributors is falling.

Social entitlement programs inevitably lead to bigger government, which means more government oversight of private industry, especially in the financial sector. In the aftermath of the subprime mortgage and credit upheaval, which epicentered in the United States, the Federal Reserve, the Senate, and the Treasury Department have each pursued greater regulatory powers. Their published motive is to shield Americans from lending abuses by enacting caps on salaries and perks within the banking industry. Such bills have been passed in both houses of Congress and are waiting to be reconciled. While most of us are understandably concerned with the impact of the American financial crisis, we cannot ignore the global economic meltdown that seems to be herding us in the direction of a new world order and a one-world government.

The idea of a one-world government is as old as the book of Genesis and as current as the United Nations. The world is looking for someone who can say, “We saved the world from disaster”—someone with more credibility than Fed Chairman Ben Bernanke, who made that claim in the summer of 2009.

Our world is ripe for globalization. When the Cold War ended with a widespread thaw in hostilities, the nations and their economies began the process of trying to conglomerate from separate nationalistic entities into one heterogeneous unity.

That process has been about as easy as incorporating iron into clay. Sure, it can be done, but not without the manipulation of basic structures, and even then the results can only be temporary. No combination of nations will ever be able to form a strong, stable world government—at least, not one that will last for very long.

Not that they aren't trying! Politicians, economists, scientists, and futurists have long sought such a supranational unity. The eight-year struggle to ratify a reform charter/constitution for the European Union is a good example of the difficulty inherent in combining twenty-seven separate national identities into one coherent unit. The European Union was finally successful in adopting a constitution-type government with the approval of the Treaty of Lisbon in November 2009. Its implementation on December 1, 2009, opened the door for a stronger and more centralized government in Europe. Despite the acceptance of this treaty, however, there is one lingering issue: the euro crisis. Joachim Starbatty, a German professor of economics, has written that the unity between the member nations of the European Union is now looking less like unity and more like illusion. Greece is the current focus of the discussion of restructuring the euro because of her precarious financial condition. Professor Starbatty further suggests that the euro, as it is presently configured, is “headed toward collapse” and that Germany may take the lead in withdrawing from the current euro structure, bringing with them other nations with strong money, and together creating a new common currency.

The aftermath of such a move could include a “new, more powerful euro [that] could easily supersede the dollar as the global safe-haven currency.” According to Starbatty's article, while there might be some immediate gains to be made by a restructured European currency, the long-term impact could be “global economic instability” and the “possibility of a catastrophic plunge in faith in the [U.S.] dollar.”

As I write this, the world is still in the early stages of recovery from the major recession that began in 2007. Recent recessions have lasted no longer than eleven months, but the effects of this one

have already lasted nearly three times that long.

Reversing a promise by global leaders in April 2009 to end the recession, only China, France, Germany, and Japan were into the recovery stage by the end of that year. Today Canada, Italy, Greece, Great Britain, and the U.S. are still struggling to check the downward trend of the economy. Great Britain's expected "probable" recovery from the recession in the last quarter of the year was met with the announcement of "an unprecedented sixth consecutive quarter decline."

On the same day that announcement was made, former Federal Reserve Chairman Paul Volcker referred to the American version of the recession as "deep and potentially lengthy" and labeled it "the Great Recession."

According to a *Washington Post*–ABC News poll, Americans agreed with Volcker's assessment. Eighty-three percent did not think the recession was over, and three-quarters were "worried about the direction of the nation's economy." Fifty-seven percent thought the actions taken by the government either had no effect or had actually made it worse.

Historically, it has been the economy of the United States that has recovered earliest and has been able to pull "the rest of the world out of its funk." This time around, it is hoped that China will lift the U.S. out of recession. If neither of these two nations can rise to the challenge, there seem to be few options left on the horizon. Could we be standing today on the edge of a recession from which no one economy, no one nation, no one union will be able to extricate the world? The Bible predicts that such an era is coming. Fueled by the world's economic convulsions, the only answer will seem to be the unification of the nations under one economic system and one world ruler.

One would expect such a process to begin with the gradual consolidation of wealth and power, both nationally and globally. Today as we witness the merging of banks and the centralization of financial regulations, we cannot help but wonder if the Antichrist is waiting in the wings, ready to make his entrance onto the stage of this desperate world.

When he finally appears, the world will embrace him. He will have all of the answers to the pressing problems of mankind. He will be the ultimate financial czar—Satan's CEO, and he will deceive the world with a promise of stability and order. When the whole world is singing his praises, he will unveil his master plan for the destruction of all those who refuse to fall down and worship him. In those final months of his evil reign, no one will be able to buy or sell without his special identification mark implanted in his or her forehead or hand. Using the technology that is already powerful enough to accomplish his plan, the Antichrist will control the financial destiny of every nation and every individual.

From his center in the ancient rebuilt city of Babylon, the Antichrist and his partner, the False Prophet, will regulate the commerce of the world until Almighty God brings it all to an end "in one hour" (Revelation 18:10, 17, 19).

Then there will at last emerge the ultimate one-world government and a one-world economy that will be the fulfillment of the longdesired utopia. The Bible assures us that a golden age of unprecedented peace and prosperity is coming. What the Antichrist will have failed to do with his militaristic and computer surveillance, Jesus Christ will do by His omniscience, omnipotence, and omnipresence. For one thousand years Jesus Christ will preside over an idyllic age of peace and prosperity.

With these events facing the world, we ask the question posed in a book title by the late revered apologist Francis Schaeffer: How should we then live? In light of all that is happening and all that is going to happen, how should we organize our schedules and live our lives? I have called the last chapter of this book, "Keep Your Head in the Game and Your Hope in God." This is the instruction that God has etched upon my own heart. In these desperate days, this is my prayer for

you!

This is an excerpt from THE COMING ECONOMIC ARMAGEDDON by David Jeremiah.
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