



# LIBERTY *Matters*

NEWSLETTER OF LIBERTY TRUST

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Hello to you,

A special welcome to our new contributors from Wanganui, Whitianga, Ohope, Queenstown, Hamilton, Australia, Whangamata, Wellington, Te Atatu, Auckland, Nelson, Kamo, Opotiki, Rotorua, Whangarei and Whakatane. It's wonderful to have you join us.

### Contribution Summaries

Next month we will send you a contribution summary for the year ended 31 March 2013. We met with IRD on 15 Feb and are waiting for a decision on whether you will be able to claim some or all of your contribution as a tax-deductible donation this year. Thank you for your support in this regard. We hope to have an answer shortly.

Rest assured that, tax-deductible or not, your contribution is being used to bless others. Our wages, marketing, and administration costs (including this newsletter) amount to just 5% of your donation. And **95%** is given and lent interest free to bless households and churches around New Zealand! And these funds will continue to be lent and re-lent to bless and set people free for generations to come!

Many are the plans  
in the mind of a man,  
but it is the purpose of  
the Lord that will stand.

Prov 19:21



## Will there be a World Financial Crash?

Many people are unaware that a spiritual revolution has quietly taken place since the turn of this century; that is: an economic revolution. The Bible reports that: *"The men of Issacher had wisdom to read the signs and to know the signs and seasons"*. (1 Ch 12:32). Shouldn't we?

Last year I was drawn several times to the verses in Habakkuk. In chapter one Habakkuk cries: *"How long O Lord must I cry for help but you do not listen? Or cry out to you "Violence" but you do not save? Why do you make me look at injustice? Why do you tolerate wrong?"*

Then in verse 5 God answers: *"Look at the nations and watch – and be utterly amazed. For I am going to do something in your days that you would not believe, even if you were told. I am raising up the Babylonians, that ruthless and impetuous people, who sweep across the whole earth to seize dwelling places that are not their own. They are a feared and dreadful people; they are a law to themselves and bringing terror and fear."*

Notice that it was God who was raising up the Babylonians to plunder Israel. And what was Habakkuk's shocked response? – Chapter 2:1-2: *"I will stand at my watch and station myself on the ramparts; I will look to see what He will say to me."* Then the Lord replied: *'Write down the revelation and make it plain on tablets so that a herald may run with it. For the revelation awaits an appointed time; it speaks of the end and will not prove false.'*

I have taken an interest in financial media commentaries for many years, as a watchman of what was happening in the financial world. More recently, as I have seriously researched the current situation in each major nation I have been shocked at what I found. (Full six-page summary available on request).

Briefly, the 2007 World Financial Crisis was triggered when a few American banks recklessly loaned on sub-prime (i.e. second grade) mortgages at above their property valuations and at repayment terms that were beyond the capacity of the borrowers to repay. Then the banks leveraged their risk by selling these as "prime investments" to other banks throughout the Western world. Initially the American banks were blamed for causing the ensuing World Financial Crisis in which many major banks and half of New Zealand's finance companies fell, due to falling property values. Others banks were rescued by their governments. However since then it has been revealed that many European banks were lending in the same foolhardy way. – Why?

For many years the rich have been getting richer and the poor poorer. This has led to a surplus of money worldwide seeking safe and profitable investments, amid a shrinking number of suitable investment opportunities. Reducing interest rates are partly a result of this surplus of money to invest. Retirees who are depending on term deposit interest (because they have saved) are the victims.

But even more important is the question: "Why in 2007 did Western governments rescue so many of them when those same governments were already seriously in debt?" The same scenario had already happened in Japan, ten years previously, so governments clearly knew what could happen if they borrowed in order to save their banks - "endless stagflation".

Why had governments chosen to bail-out so many of their major banks during the 2007 World Financial Crises, only to put themselves into debt levels that they could not afford to sustain?

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After 2007, Western governments concluded that they needed to stimulate their economies by borrowing more and spending more. They reasoned that such spending would stimulate job creation, and thence generate more tax to themselves. This would enable the governments to repay debt. This 'gamble' has been a disaster. Instead of spending more as they were supposed to, Europeans and Americans (and Australians and New Zealanders) used the extra government spending to pay down their own personal debts. Their citizens have finally realised that they can no longer afford to keep borrowing more. However the Western economies are too weak to enable both their citizens and their governments to repay their debt at the same time. Instead, all of these Western governments have had to continue borrowing in order to balance their books, and unemployment has kept rising. There is simply too much debt in the West, and record unemployment levels. Is it any wonder that we are seeing Proverbs 22 v 7 come into play: *"The rich rule over the poor, and the borrower is servant to the lender."*



**Kelvin Deal**  
Chairman

Last year financial writers were asking, when will there be the world financial crash? Firstly, would Greek voters agree to being "rescued" and accept the austerity that the EU would insist upon as part of the package? And secondly, would the IMF and the cash-strapped EU Central Bank rescue Greece and the other profligate Southern European nations?

To the relief of world observers, the Greeks narrowly voted to stay within the EU and accept the bail-out and austere economic reforms that would follow. Had they not done so, the resulting Greek bankruptcy would have brought down its neighbours, followed by the rest of Europe, and probably the whole world. - This is the reality of a single global economy, which many believe is prophesied in the Bible.

This still left the second question. Would the EU Central Bank continue to bail out Greece, followed by Spain, Italy, Portugal, Cyprus, and the other EU nations that were tottering? Then in September 2012 Mario Draghi, the president of the European Central Bank, announced that he would do "anything" to save the Euro, and then went on to prove it when the bank agreed to soften its terms with Greece. It is now plain that the EU will do literally "anything" to avoid the worst depression that the world has ever seen. We now know it will lend enormous loans to members of the EU in the hope that it can stave off the bankruptcy of all.

Later in September, I was at home after church and pondering on the sermon I had just heard, when I sensed God was saying there was a "PARTNERSHIP" between the "financial institutions" and "governments". If governments failed, so would their supporting financial institutions. And if the financial institutions failed, so would the governments. They were both financially entwined. In the case of governments: political careers and egos, and who knows what secret deals with the financiers, were at stake. And in the case of the financial institutions: personal careers and salaries and commissions were at stake. In both cases, financial failure would cost huge personal failures, as well as a gigantic world-wide crash and untold ruin to millions of ordinary citizens and businesses.

Governments had saved their largest banks in 2007, only to put themselves into serious financial strife. Now it was the turn of those banks to save their governments. Why hadn't such 'partnership' happened previously in history? - "Because there has never before been a global economy where all are inter-dependent upon and fear the actions of each other, and where high debt levels have been so widespread."

As I considered it, God seemed to remind me that, with the principle of 'lending', came 'power' and 'control' - Prov. 22 v 7. Now the financial institutions including the oil-rich Middle East, Russian institutions, and Asian banks, are taking that power by partnering with the recipients of God-given power – the governments. God had given not only power, but responsibility to governments to govern wisely. Rom.13:1 Now the borrowing governments have become 'servant to their lenders', no longer 'servant to their citizens'. Without the continuing support of their lenders, these governments can no longer govern, (and there is nothing that egotistical politicians want more than continuing political power).

Governing authorities and financial institutions worldwide are now beginning to reign together in 'partnership'. All power and control will eventually be concentrated in a global economic coalition. 'Partnership' will be the perfect marriage. But it is not be a marriage made in 'Heaven'. It is a marriage made in 'Hell'. Will this mean that 'Mammon' will finally rule the world?

The picture of "partnership" between governments and financiers should not be unexpected in view of what the Bible has taught us. Satan will attempt to rule over a one-world government by creating and using a one-world global economy, no doubt utilising "debt" as His means of control. Jesus declared that 'Mammon' is the 'god' who is directly opposing God Himself—"You cannot serve God and Mammon", but many still don't understand what is and isn't "Mammon".

Western nations once led the world in manufacturing. They grew used to a relatively high standard of living, and have borrowed in order to maintain it when Asia took over that lead. The big question is – Will the lenders continue to lend forever when they know the West cannot repay? The answer I believe is "YES". - They cannot afford not to, and lose the trillions they have already lent. And secondly – where else could they lend safely?

It would be interesting to know what would have happened to the 'partnership' had the Greeks not voted to accept the EU bail-out, but simply resigned from EU membership and told the EU 'where it could go' with the debt it owed. World-wide financial destruction would have followed. The result has really become a precedent which will allow all the other insolvent European nations to survive by borrowing by 'partnering' with the EU Central Bank. Did God have a hand in that election result?

Habakkuk first asked God why He tolerated such sin in Israel. God, in reply, said He was sending the Chaldeans (Babylonians) to invade Israel. As a result, he learned that God has a plan, and to trust Him. Chapter 2 verses 3, 4, 14 and 20 are some of the most quoted verses in the New Testament. Habakkuk accepted God's assurance, and offered a prayer which expressed his trust in God (ch.3) which ends with the well-known words: *"Though the fig tree does not blossom, and there be no grapes on the vines... yet I will rejoice in the LORD, I will be joyful in God my Saviour"*.

In the last six months I have reflected on why God has allowed the lenders to partner with the Western governments. I have concluded that the book of Revelation clearly shows that Mammon (the Anti-Christ) will attempt to rule the world through a single global financial system.

But God is also saying He has a purpose. He is forming His "Church" into "a loving, supporting "community". His people will resist Mammon and the entanglement of debt to "the world" by joining with each other (Rom 12:5 & 1 Cor 12:12-31).

Personally I find this hugely exciting. Liberty Trust was commissioned by God to commence a Biblical "storehouse". It certainly wasn't our initiative. It had to be a walk of faith then – not by sight. Now the reason is becoming clearer as world events quickly unfold. Liberty Trust, and its lending arm, Ark Resources Ltd, are effectively enabling people to borrow from each other for housing, interest-free, and to avoid borrowing from the banks. Each member is effectively and jointly building that storehouse with their contributions and helping all, instead of building Mammon. The position is now becoming clear. We are all pioneers, planting a mustard seed that God will grow to become a huge tree. It is urgent and exciting.

Regards, Kelvin

