

Kingdom Economics: Confidence – The Key to Answered Prayers

Hotter than expected inflation forced the Federal Reserve (Fed) to raise interest rates more than planned. Initial plans were to raise the interest rate 0.5% at their June meeting, but when consumer inflation came in at a much higher 8.6% (the highest in 41 years), the Fed believed they needed to act more aggressively. The Fed raised the rate by %, the largest increase in 21 years.

The Fed's action increased market confidence that they will take the action necessary to control inflation. However, they are still far behind. Their target rate (federal funds rate) is currently at %, and the prime rate is at %.

With producer inflation at 10.8%, the inflation adjusted cost of borrowing is negative. Some argue that the target rate needs to move above the inflation rate to control inflation, which occurred the last time inflation was this high.

The economy begins slowing as the Fed reduces the money supply with higher interest rates and balance sheet reductions. A weakening economy reduces consumer, investor, business, and government confidence. Since an economy's output is measure by adding consumption, investment, government expenditures, and net exports, a loss of confidence will further weaken the economy. Expect a recession, probably next year but possibly earlier.

We are already seeing economic confidence fall. Stock investor confidence has fallen. The Dow Jones Industrial Average fell %, the S&P 500 Index fell 22.9%, and the NASDAQ Index has fallen % this year.

Small business confidence is dropping with the optimism hitting 93.2 (the lowest since the pandemic ridden spring of

2020) and those expecting better conditions in the next six months fell to a record low. Consumer confidence is also falling with consumer expectations dropping to , the lowest since 1980.

Many people are currently hurting, confused, scared, and angry because of the economic, geopolitical, social, and political environments. People have lost confidence in leaders and institutions. Sadly, some have even lost confidence in God.

Gallop released a survey in which they asked people in the United States if they believed in God. Eighty-one percent indicated that they believe in God, but it was the lowest percentage since they began asking the question in 1944. People need and want solutions. What an opportunity for Kingdom-minded citizens.

Kingdom citizens have reasons for optimism. We have the solution for the hurting, scared, and angry. We know the One who heals individuals, societies, and nations. In times of turmoil, we can have peace. In times of societal degradation, we can have righteousness. In times of sadness and despair, we can have joy. In times of spiritual decline, we have the knowledge and obligation to lead others to our King. We have been empowered by the Holy Spirit and the Word. Let us share the good news in which we have been entrusted.

The dictionary defines confidence as a trustful relationship, a feeling of trust, freedom from doubt, a state of confident hopefulness. Synonyms could include belief, credence, assurance, faith, trust, and mindset. The Bible teaches that confidence has many spiritual implications.

We have confidence in the blood of Jesus. Our confidence in His blood gives us the right to enter the holy place. In the holy place is His shadow where we find refuge, protection from disease, our enemies, from evil, and from accident. In His shadow, we will find the protection of angels, honor, and long

life (Psalms 91).

“Therefore, brethren, since we have confidence to enter the holy place by the blood of Jesus, by a new and living way which He inaugurated for us through the veil, that is, His flesh,” (Hebrews 10:19-20, NASB 2020).

By confidence we draw near to the throne of grace. The current environment requires Kingdom citizens obtain an abundance of our Lord’s mercy and grace. We enter the throne of grace with confidence where we will find His mercy and grace.

“Therefore, let us draw near with confidence to the throne of grace, so that we may receive mercy and find grace to help in time of need” (Hebrews 4:16, NASB 2020).

These times of economic challenges, geopolitical uncertainties, societal degradation at an almost unprecedented rate, and a political environment attempting to change many of the country’s principles, traditions, and institutions, we need answered prayer.

These times also offer almost unprecedented spiritual opportunities, where we will need answered prayer to gather the fruit. The scriptures declare that the key to getting our prayers answered is confidence.

“This is the confidence which we have before Him, that, if we ask anything according to His will, He hears us. And if we know that He hears us in whatever we ask, we know that we have the requests which we have asked from Him,” (1 John 5:14-15, NASB 2020).

Let us move forward with confidence in our King and all that He has done for us. {eo}

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