

Kingdom Economics: Take Advantage of Your Built-In Fact-Checker

The Bureau of Labor Statistics (BLS) released its inflation estimates for March last week. Consumer inflation was 8.5% for the last 12 months, the highest in more than 40 years.

When energy and food prices were excluded, core inflation was 6.5%, the highest in nearly 40 years.

Annual producer inflation was estimated at 11.2% for all goods and 9.2% when energy and food prices were excluded – both a record high. Since producer prices lead consumer prices, expect the currently higher producer inflation to cause higher consumer inflation.

Inflation is caused by ill-advised policies, either excessive increases in government spending (fiscal policy) and/or excessive increases in the money supply (monetary policy) by the Federal Reserve (Fed). With the American Rescue Plan (\$1.9 trillion) and the infrastructure bill (\$1.2 trillion), the administration passed more than \$3 trillion in new spending in 2021. The Fed has increased their balance sheet by about \$4.5 trillion over the last couple of years. Both fiscal and monetary policy increases are unprecedented.

Do not accept the argument that current inflation is primarily the result of the Russian-Ukrainian war. Russia invaded Ukraine on February 24, 2022. Consumer inflation was 1.4% and producer inflation was 1.9% when President Biden took office. In the last report before the invasion, consumer inflation was 7.9% and producer inflation was 10.3%. Current inflation is caused by excessive fiscal and/or monetary policies.

Current inflation is neither fading nor transitory, but it is

a serious challenge. It hurts consumers and producers, especially low and middle earners. It needs to be addressed by lower federal spending, pro-growth policies and a hawkish monetary policy. But the administration appears to still want to increase spending.

The Fed is at least saying the right things now, but some doubt they will follow through with strong actions. The Fed is seriously behind the curve. Paul Volcker, chairman of the Fed from 1979-1987, was able to fight double-digit inflation by moving interest rates above the inflation rate. He caused a severe recession but with the controlled inflation and growth-friendly policies of the Reagan administration set the economy on a growth and prosperity trajectory. The federal funds rate is currently 0.5% and the prime interest rate is 3.5%. Inflation is 8.5%. We have a way to go!

It is difficult for the typical world citizen to discern fact from falsehood. Much of the information presented as news is disseminated with an agenda in mind. Too often, a person's opinions and beliefs are dependent on their favorite source of news, regardless of whether it is based in fact. Bad information can create bad decisions with unwanted consequences.

But kingdom citizens should be different. We have just celebrated Easter. As we meditated on the sacrifice, suffering and humility of our Lord and Savior, we came to a greater appreciation of God's love for us. His voluntary sacrifice moves those willing to accept Him as Lord and Savior from the kingdom of darkness to the kingdom of God, from sin to righteousness, from death to life, from despair to hope, and from defeat to victory.

Our new King is the King of kings, the Creator of the universe. He promised that He would not leave us as orphans (John 14:18). The disciples were saddened because Jesus had told them He was returning to the Father. They loved Him and

didn't want to see Him leave.

Jesus told them that it was to their advantage for Him to go. If He didn't leave, the Holy Spirit would not come to them. But when He went, He would send the Helper to them. Can you imagine the import of what He told His disciples? Many had been with Jesus more than three years. They had eaten their meals with Him, slept with Him, celebrated with Him and laughed with Him.

He was their teacher. They were convinced that He was the Messiah. They had seen the miracles and felt His love. Yet He was telling them that it was to their advantage that He leave.

"But because I have said these things to you, grief has filled your heart. But I tell you the truth: it is to your advantage that I am leaving; for if I do not leave, the Helper will not come to you; but if I go, I will send Him to you" (John 16:6-7, NASB).

When the Holy Spirit came, the disciples moved from being with God to God being in them. Jesus is in the Father, and we are in Jesus, and Jesus is in us.

"On that day you will know that I am in My Father, and you are in Me, and I in you" (John 14:20, NASB).

Fact-checkers, who are far from unbiased, have been a frustration to many in these tumultuous times. Several men and women of God, as well as others, have had their social media posts flagged, shadow banned, or even their accounts closed because their posts did not agree with some liberal fact-checker. Although sad for the individuals impacted, the greatest loss is for the people that needed to read or hear those words.

Every born-again, Spirit-filled, Bible-believing Christian has been given a divine fact-checker. We just need to be sensitive to the Holy Spirit. He will not only bear witness to truth but

will lead us into all truth. He never makes a mistake, but we must be in tune with Him.

“But when He, the Spirit of truth, comes, He will guide you into all the truth” (John 16:13a, NASB).

Let us use the time between Easter and Pentecost Sunday to reconsecrate ourselves to the Lord and to hearing His voice. What would our lives be like if we were always in tune with the Holy Spirit? How many mistakes could be avoided if we always recognized truth? What could be accomplished if we were guided into all truth?

“The grace of the Lord Jesus Christ, and the love of God, and the fellowship of the Holy Spirit, be with you all” (2 Cor. 13:14, NASB). {eoa}

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