

THE UPWARD CALL

*Brethren, I do not regard myself as having laid hold of it yet;
but one thing I do: forgetting what lies behind and reaching forward to what lies ahead,
**I press on toward the goal for the prize of the upward call of God
IN CHRIST JESUS.***
(Philippians 3:13-14 NASB)

#03-0945

Economic Cycles & The Jubilee

March 14, 2009

Recently, I read an interesting article about **the Kondratieff theory**, which was developed by Professor Nickolai Kondratieff and published in a 1926 report titled *Long Waves in Economic Life*. He theorized that capitalist economies go through what he called long-wave boom and bust cycles that last for 50-60 years. His conclusions were based on a study he conducted for the period of 1789 to 1926. Some say that his theory was validated with the depression that occurred in the 1920's.

The interesting fact about Professor Kondratieff is that, following the 1917 Russian Revolution, he helped to develop the first Soviet five-year plan. His intention was to find ways to stimulate Soviet economic growth. Unfortunately for the professor, his long wave conclusions were seen as a threat to Joseph Stalin's collectivization plans. Consequently, he was arrested in 1930 and sentenced to death in 1938.

The Kondratieff cycle consists of four distinct changes in the life of a capitalist economy, which is likened to the four climate seasons of spring, summer, autumn, and winter. The spring phase of the cycle is marked by inflationary growth; the summer phase is marked by stagflation or recession; the autumn phase is marked by deflationary growth, likened to a plateau; and finally, the winter phase is marked by depression. Together, these seasons form the long-wave cycle that is also known as the **K-wave**. What should be of interest to us today, given our current financial debt-credit challenge, is that the K-wave actually pertains to long cycles of debt build up and repudiation. Consider the enormous mountain of debt the US and the rest of the nations have taken on in recent months and the enormous amount of wealth worldwide that has been lost, which some estimate to be about \$50 trillion.

Others have taken this theory and applied it to our modern-day economy. As with any theory, not all agree with when the phases of the K-wave began and stopped over the last 60 years or so, or even if the theory still applies given the monetary tools of our modern-day economy. However, one suggestion is that the most recent spring phase (expansion) occurred from 1949-1966; the summer phase (recession) occurred from 1966-1982; the autumn phase (plateau) occurred from 1982-2000; and the winter phase (depression) began in 2000, which means we could have a ways to go before spring comes again. The key to understanding these phases is that they are periods of time that can extend upwards of 20 years and that progressively produce changes during these times. Thus, although we might be in the winter phase (depression) at the moment, it didn't feel like it at the beginning of the phase, but it is beginning to feel more like winter in 2009. Whether it will get worse or improve and move into the spring cycle soon, only time will tell. Some say that winter is definitely upon us and that the period of 2008-2014 will be a "hard winter," meaning depression has only just begun. In other words, conditions will deteriorate further.

But there is good news; as I have stressed over and over again, to use the professor's terminology, I believe spring is coming; it is called the kingdom of our Lord and of His Christ.

I am reminded of Warren Buffett's statement on March 9, 2009 that the US economy fell off a cliff, and this is from one of the wealthiest men in the world who saw the profit of his company nose dive 62% from \$13.21 billion in 2007 to \$4.99 billion in 2008. Well, that is another story in itself. Actually, Mr. Buffett made an interesting observation that will be taken up in another issue.

Obviously, there is much more that could be gleaned from understanding each phase of the K-wave; however, this is not my purpose in presenting this theory that seemingly has some merit and historical validation. What caught my attention was the 50-60 year length of the K-wave. For those who know something of the laws of the kingdom of God, the number 50 should immediately stand out in reference

to **the law of jubilee**. What is fascinating is that, whether the professor knew it or not, he actually validated a possible reason for calling a jubilee every 50 years. Simply, after about 50 years, capitalist economies need to be reset to compensate for their excesses and debt, and this resetting requires, for lack of a better word, a collapse of the economy. Once the winter phase has done its cleansing, the economy begins to grow and the K-wave cycle begins again. It is safe to say that many are now looking to the day when the growth phase will begin, and all economists expect that it will come, even if they do not know when. Then again, listening to politicians and the media, one might conclude that things are improving and worsening all at the same time. **We need to hear what the spirit of God is saying.**

Of course, the K-wave is one man's attempt to explain a phenomenon. The fact of the matter is that man seems to have little control over these cycles due to his immorality, partiality, and ethical misconduct. Man might try to manipulate each phase in such a way as to alter it in some fashion, perhaps to delay or prolong it, or diminish its impact; however, he cannot stop the cycle from occurring. The instability of our day is now proving the point. But what if there were a way to reset economies at a set or predetermined time in order to maintain stability from one generation to the next? The answer is that there is a way, and it is God's way.

In His infinite wisdom, God has laid down the principle that governs the economy of kingdom nations, and it is explained in the law of jubilee as presented in Leviticus 25.

(8) "You are also to count off seven sabbaths of years for yourself, seven times seven years, so that you have the time of the seven sabbaths of years, namely, forty-nine years. (9) You shall then sound a ram's horn abroad on the tenth day of the seventh month; on the day of atonement you shall sound a horn all through your land. (10) You shall thus consecrate the fiftieth year and proclaim a release through the land to all its inhabitants. It shall be a jubilee for you, and each of you shall return to his own property, and each of you shall return to his family. (11) You shall have the fiftieth year as a jubilee; you shall not sow, nor reap its aftergrowth, nor gather in from its untrimmed vines. (12) For it is a jubilee; it shall be holy to you. You shall eat its crops out of the field. (13) On this year of jubilee each of you shall return to his own property." (Leviticus 25:8-13 NASB)

Essentially, a jubilee is required every 50 years to reset conditions, especially in relation to the land and the right to property. The jubilee proclaims a release throughout the land to all the inhabitants. It is an impartial law that treats everyone in the same manner. In other words, there is no favoritism given toward one group or class of people. See issue #03-0964, January 27, 2009, *The Kingdom of Our Lord #4, The Law of Impartiality*. During this time, everyone is allowed to return to their own property that they had received as an inheritance and, due to hard times, had to sell.

Obviously, the law of jubilee lays down specific rules that relate to the land, which was valued by what it was able to produce. Since most people buy homes on very small tracts of land that cannot produce a crop, it would be difficult to apply some of the specifics in our day. For this reason, we need to understand the underlying spiritual principle of the jubilee, and that is to reset conditions to where they were 50 years prior. In other words, every 50 years, the economy of a kingdom nation must be reset. This is God's wisdom! Why is this necessary? God knows that because of man's heart, injustices will inevitably come about that will require some type of remediation. Rather than allow things to get out of hand, it is best to reset everything on a schedule, which is based on God's perfect number 7. The jubilee is called after a period of seven sabbaths or seven times seven years (49 years).

How would this apply to our day of high debt? Simply, the jubilee would call for the cancellation of all debt; it is a release of all things that have brought people into bondage. Those who have fallen on hard times and lost their homes would receive their homes back. It is interesting that there are a few secular economists that are advocating some type of jubilee in which debt is cancelled. It is difficult to imagine a jubilee ever being called with mystery Babylon in control; however, if it were called, it would no doubt result in inequities. We need the kingdom of Christ manifested among the nations before a true jubilee can be called that is impartial and fair. Let us continue to pray: **Thy kingdom come!**