

Is the American economy destined for an apocalypse?

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By [Randy W. Bright](#)

Last week, an article was published on the [newgeography.com](#) website that was about as dismal about our economy as I have seen in some time.

The article, *Apocalypse Soon? Uneasiness with the Economy*, written by Dr. Roger Siebert (an "economic analyst, North American Representative and Principal for the U.S. Consumer Demand Index, a monthly survey of American households' buying intentions") paints a very discouraging view of our economic future.

He begins by citing a University of Michigan report that explains that while "seven in 10 Americans say the country is on the wrong track" and that "Americans are unhappy, worried and pessimistic, and their spending is down ... consumer sentiment is up." He suggests that the contradiction can be explained by "normalcy bias, a desire for 'normalcy' so strong as to feed a willingness to overlook contrary evidence."

Siebert agrees with the former crowd, not the latter, stating that "Frankly, I'm uneasy, unhappy, worried and pessimistic." Here is why.

The recovery from the Great Recession has been "protracted and uneven." The majority of Americans believe that the impact of that recession is permanent, and that there will be fewer job opportunities for future generations and are highly critical of policymakers in Washington.

Siebert cites a recent "updated budget and economic outlook" report issued by the CBO (Congressional Budget Office) that is optimistic about corporations, but that's about all. They expect the economy to grow even slower than previously predicted, and that "long-term trends in our economy are getting worse", especially for the middle class whose stagnating wages aren't keeping up with a growing cost of living.

Siebert cites three critical points concerning the health of our economy.

First, "household debt remains high", primarily from student loans and auto loans. Currently, U.S. household debt has remained at 103 percent of our disposable income.

Second, corporations are going into debt due to low interest rates, and "since the third quarter of 2010, corporate debt has increased each quarter."

Third, "federal government debt has exploded" - rising \$7.3 trillion over the past six years.

Siebert also states that while "the economy has added a few million jobs,... 11 million people have permanently left the labor market."

He cites analyst James Quinn who pointed out that "mortgage applications are in free fall, new home sales are at 1991 levels, and existing home sales are falling...Home sales will be stagnant for the next decade..."

Again citing Quinn, "crashes are coming... quantitative easing will cease come October, unless the Fed and Wall Street can manufacture a new crisis to cure by printing more money... We could have bitten the bullet in 2008 and accepted the consequences of decades of decadence, frivolity, materialism, delusion and debt accumulation. A steep, sharp depression which would have purged the system of debt and punishment of those who created the disaster would have ensued. The masses would have suffered, but the rich and powerful bankers would have suffered the most... Discontent among the masses grows by the day. When the stock, bond and housing bubbles all implode simultaneously, all hell will break loose in this country. It will make Ferguson, Missouri look like a walk in the park."

Do I agree with Siebert's and Quinn's outlook on the economy? Somewhat, especially when the recession of the early eighties still seem like a recent memory. What will make the next recession or depression different than the ones in the past is the quality of our people. In the past, families and churches pitched in to help others make it through the hard times, but our current self-centered culture won't look to families or churches for help now, they will look to the government. And riots? I've always thought that the only thing that would trigger mass riots in America would be if people were starving or if the government tries to confiscate firearms.

All of this could make you fearful of the future; but if you are faithful to God, I think that there is a different future. Remember that when God inflicted the plagues upon Pharaoh, all of Egypt suffered; but not one Israelite in the land of Goshen did. I have to believe that even if these dire predictions do indeed come to pass, those who are faithful to God in their tithes and preparations for disaster will be all right. That alone is enough a reason to make certain that churches remain a strong part of our communities.



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