

PASTOR'S REPORT



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Greetings again fellow ministers:

Since this is turning out to be a very busy week, I only have time to jot down a few items of importance that need to be communicated to all of you in this Pastor's Report.

First of all, I am very pleased to be able to announce that plans are being made to hold a full Ministerial Conference here in Pasadena in mid-January. In the U.S., all Area Coordinators, Senior Pastors and full Pastors of churches, along with their wives, will be invited to attend this year.

In international areas, budgetary restrictions will have to be considered and worked out with the Regional Directors. We hope that as many as possible in the International Work will be able to come in as well.

I realize that there may be several men whose particular situation might be somewhat unclear -- we do have some Associate Pastors who are functioning in many respects as full Pastors -- and the feasibility of ~~men in that category~~ attending the conference would best be discussed with your immediate superior and the Area Coordinator or Regional Director.

This year's conference will begin the 15th of January and continue through the 18th inclusively. Mr. Armstrong is very much looking forward to speaking to the majority of our ministers during the meetings and we are all looking forward to a very profitable conference. Will keep you posted on the details as time goes on.

One more item I want to mention in this report concerns the ordination notices that need to be sent in to Pasadena if elders were ordained in your area during the recent Feast season. Ordinations certainly constitute news of a very positive nature and we want to be able to announce all such ordinations to the brethren as soon as possible. We would appreciate your sending in the appropriate notices as quickly as you can.

Thanks for everything that each of you is doing in your loyal service to God, His Work and Church. Please continue to pray for God's blessings, as this Work of God goes forth in announcing and disseminating this exciting message of good news and hope for all mankind.

With love in Jesus' Name,

C. Wayne Cole

PUBLISHING SERVICES UPDATE The main topic in Publishing Services at the moment is Mr. Armstrong's decision to restart the GOOD NEWS magazine. Dexter Faulkner, who is the managing editor of the GOOD NEWS, has had some very good discussions with us regarding the streamlining of our production schedules. We have had similar discussions with Brian Knowles for the PT and our respective teams are working together at Mr. Herbert W. Armstrong's request to reduce the lead time and production costs. We're confident that with the spirit of unity and cooperation so evident now, and with our new typesetting equipment, we can produce the PT and GN with shorter turn-around time. This in turn should help to give us a better product. Current schedules call for your first full-color GOOD NEWS to be in your mailbox by the early part of January.

--Roger Lippross, Publishing Services

EDITORIAL SERVICES DEPARTMENT UPDATE At this moment we have received the layouts back from the Executive Offices on sigs 2 & 3 of the January PT. Sig 1 and the cover will follow later. Messrs. Armstrong and Rader have all the January copy at this moment for approval.

I thought I'd mention that present plans call for the introduction of a Journalism class to the Ambassador College program next semester. At this point I have been assigned to teach it. It will be available to sabbatical ministers and students alike.

Hopefully the class will be taught in the Conference Room of the Editorial Services Department. This will enable students to have direct access to the functions and personnel of that department. Mr. Armstrong himself, whether in person or through his own writing, will set the standards for the class. I plan to invite him to conduct as many classes as he wishes. He and I have discussed writing styles at length in the past as well as the early influences on his own writing style. This material will be included in the class. Other guest lecturers will include Roger Lippross, who will explain the production process.

We plan to emphasize the audio-visual approach, classroom discussions and actual writing assignments. Specialists from our own editorial departments will be invited to participate. One goal of the class will be to produce publishable articles for The Plain Truth and The Good News. We hope there will be a good response to the class as it will certainly have long-term benefits to the Work and the publishing area. I thought I'd let you know about this class a little in advance so that you can plan on taking it if you wish to attend.

The Healing booklet is now well into the press cycle and, I am told, should be making its appearance any day now.

--Brian Knowles, Editorial Services

GOOD RESPONSE TO REPRINT SERIES Recent issues of the "Co-Worker Newsletter" included attractive flyers and response cards advertising two new reprint series: "Christian Living" and "Biblical Prophecy." Co-workers have already turned in high responses for these two series of articles. The "Christian Living" series brought in an 11.1% response and the "Biblical Prophecy" series brought 11.6%.

The good response to these series can be attributed to the fact that they answer spiritual needs in the lives of our readers--and the fact that they are timely! In a world where governments are toppling, monetary collapse seems a real possibility, the energy crisis looms larger and larger, the Middle East remains an area of uneasy tension and various spots around the world seem ready to explode...in times like these people are searching for answers. Many are ready to read our publications and they respond excitedly to the offers we send to them.

Some of the titles in these two new series are: "Whatever Happened to Basic Christianity?," "Why Aren't You More Christ-Centered?" "Christians Have Lost Their Power," "How To Deal With People Who Have Faults," "Can Prophecy Fail?" "Christ The Revelator," "Armageddon In Your Lifetime?" "Watch The Middle East," etc.

We are grateful for the response we are receiving to our literature offers. We hope they will stimulate many to become more informed about the Work's mission and become much more involved with us.

--Richard Rice, Mail Processing Center

Y.O.U. UPDATE

Youth Contributions: Income from our youth is holding up well. Normally, after school starts, the youth contributions to the Church drop off sharply. This year the figure is continuing to hold at five to six thousand dollars per week. This week a total of 143 letters contained \$5,900.00, averaging \$141.00 per letter. Our young people are to be congratulated on their generosity and dedication to God's Work.

The rumor is still circulating in some areas that the youth tithing system was stopped. It is just a rumor to be disregarded along with most rumors. The youth should use their special envelopes and continue to indicate their age on all contributions. Green envelopes should still be used on Holy Days, and all contributions should be addressed to the Worldwide Church of God rather than to the Y.O.U. Office.

The system has proven very helpful in tabulation, record keeping, making income projections, and building unity and morale among the young people.

Please thank them for us and encourage them to keep up the good work. Their contribution to the Work is substantial. It is because of this generosity that the Church is able to provide them the activities of Y.O.U.

Activities: The exciting National Talent Contest is just around the corner. Sunday evening, November 26, in the Ambassador Auditorium, the national finalists from Canada and Mexico will perform with the ten regional winners from the United States.

Talent and proficiency in the performing arts continues to improve each year among our youth. We hope the national contest is partly responsible for motivating the young people in the Church to develop their talents to the maximum.

Volleyball nationals will be held in Pasadena on December 17 and 18. This event is for girls exclusively. Competing are the four top teams in the nation decided by tri-regional competition--a first this year.

Youth Conference: The International Youth Leadership Conference arrangements are coming along, but travel arrangements are tricky because of heavy travel around Christmas and New Years. Any of you who don't have travel arranged for your representatives, please call the Y.O.U. office. We can help with the leverage of Wilshire Travel in getting the representatives on a flight.

In the next Pastor's Report we hope to have some word on the guest speakers and their topics. Again we plan to tape the featured speakers and make cassettes available to each Church.

As always, Y.O.U. is grateful for your support and all your constructive suggestions as well.

--Jim Thornhill, Y.O.U.

ON THE WORLD SCENE

U.S. DEBT LOAD: CLOSE TO \$4 TRILLION AND RISING! With increasing numbers of economists predicting a recession in the United States for 1979 (a mild one, they hope), it might be good to examine how well the U.S. economy has fared since the last slowdown about three and-a-half years ago.

The answer: not well at all. The relative prosperity Americans have enjoyed has been largely a false one, fueled by an unprecedented explosion of indebtedness. Total debt in the U.S., public (governmental) and private, has in this short period of time zoomed up 42% from around \$2.5 trillion to \$3.9 trillion!

The October 16 issue of Business Week devoted special emphasis to this critical development in a cover article titled, "The New Debt Economy." It said:

"The debt economy, which flourished from 1968 through 1974, ended abruptly when the worst recession in four decades forced the U.S. to go slower in adding to what was then a \$2.5 trillion tower of debt. Since those dark days -- when the tower escaped toppling only by the thinnest of margins -- the accepted wisdom has been that four years of prosperity have put an end to excessive borrowing, eliminated the peril of widespread defaults in the U.S. and abroad, and restored the world's financial system to good health.

"Nothing could be further from the truth. Since late 1975 the U.S. has created a new debt economy, a credit explosion so wild and so eccentric that it dwarfs even the borrowing binge of the early 1970s."

Business Week goes on to show that in the past three plus years of the "new debt economy" corporate debt has risen 36% to slightly more than \$1 trillion, while state and local government debt has increased 33% to \$295 billion. "More ominous," to use the words of the editors of Business Week, is the fact that, over the same period, consumer installment debt has soared 49% to \$300 billion, residential mortgage debt has zoomed up 54% to \$750 billion, and the borrowing of the U.S. government, including the Treasury and related agencies, is up 47% to \$825 billion.

"What is so worrisome," this analysis continues, "is that the biggest borrowers now are consumers whose ability to repay has been stretched razor-thin, and the federal government whose borrowing is the most inflationary of all. And now business is joining in again, borrowing heaps of short-term money" instead of raising funds in the equity (stock) markets.

The economy is so overheated, that any remedy administered will produce serious reactions, sooner or later. If the Federal Reserve Board tightens credit further, it could result in a recession as bad as, or worse than that of 1974. Certainly insolvency rates will be higher. But should the "Fed" not tighten the reigns and permit debt to expand at its current record-breaking rate, it will merely postpone the day of reckoning while inflation continues to soar. The latter, do-nothing-now course, says one banker, is akin to "someone drinking more to postpone a hangover."

Clearly, the debt-ridden public, while complaining about the 9 to 10% inflation rate (about 12% on food and other frequently purchased necessities) is "betting" on more of the same. It simply can't afford to get off the debt merry-go-round. Americans are gambling that there will be no recession and increase in unemployment; rather, that personal income and corporate earnings will continue to rise year by year and that the government's monetary and fiscal policies will be expansionary enough for the 44-month long bullish economy to continue.

Many economists thought that the higher interest rates of the past few weeks would cool things off a bit. The fact that it hasn't only shows how deeply both the debt philosophy and inflationary psychology have become entrenched in the American economy. Adds Business Week:

"What has happened is that the debt-inflation spiral has become a fact of life for both lenders and takers of money. Nowhere is this inflationary psychology more firmly imbedded than in the household /consumer debt/ sector. ...Many sophisticated consumers pay very little attention to the level of interest rates. Indeed, by stretching out low monthly payments as long as possible, they know that cheaper dollars will make interest rates largely irrelevant. Thus auto loans used to be for three years, went to four years as car prices soared, and some lenders are now making car loans for five years."

The feeling that many consumers have is that it is better to borrow now, regardless of the interest rate charged, rather than save cheapening dollars to buy the same item later when the cost will have gone up. This pernicious thinking, says Business Week, represents a "dramatic shift in consumer thinking."

This mentality, among other things, is bound to make a failure of President Carter's anti-inflation program, which program whitewashes the major cause of inflation anyway--the massive yearly chunks of federal deficit spending, even in "good times."

Perhaps consumers will retrench a bit soon--which in itself would precipitate a slowdown. Nevertheless, the consensus is that the debt-inflation cycle will continue, even if business turns sour in 1979. Says one economist, "The only time that debt will go down is when the economy crashes, a recession or a depression."

--Gene H. Hogberg, News Bureau

