

# PASTOR'S REPORT

PUBLISHED BY THE WORLDWIDE CHURCH OF GOD

VOL. 2, NO. 31

PASADENA, CALIFORNIA

AUGUST 14, 1978

## Where Are We Now In the Panorama of Prophesied World Events?

by Herbert W. Armstrong

The DEATH of Pope Paul VI may trigger a drastic change in world events. This change could plunge the world into the most terrifying crisis ever experienced by man.

But I hasten to add that if this catastrophic World War III does explode, that will be the definite ASSURANCE that WORLD PEACE in the utopian WORLD TOMORROW -- is imminently to follow.

I would rather picture to our readers a future of WORLD HOPE, than of horrifying world disaster. But we live in a troubled world with unprecedented evils piled mountain-high. And the trend is foreboding -- not reassuring. It will get darker before the DAWN. The important thing is that the DAWN is absolutely assured by the living Creator GOD!

Some twenty years ago, before Pope John XXIII was elected, I had wondered if the Pope then being selected by the College of Cardinals would be the one who would propose his good offices to the nations of Europe to achieve political, monetary, and military union. European nations have longed for some sort of UNITY. They want not only economic union, as they have achieved by the "Common Market," they fear the communist hordes -- and especially if the U.S.S.R. and the Peoples Republic of CHINA ever get together.

Until now -- since World War II -- the Europeans have had to rely on the United States military power to protect them from further encroachments or nuclear attack from the Soviet Union.

Back during the final days of World War II, I was giving a commentary on the war news daily on the World Tomorrow radio program. We came to a point where the final coup de grace was expected hourly to be rendered on Germany by the Allies. But the Western Allies could not inflict that final death-blow until the Russians ended their part of the war in the eastern sector.

Day after day, hour after hour, we waited. But the Russians were in no hurry to END the war. They continued on, until they had taken over Latvia, Estonia and Lithuania -- and until the Russian boot had been firmly planted on all Eastern Europe -- including Eastern Germany. All these became the "satellite countries." They are spoken of as behind the "Iron Curtain."

All who know communist beliefs, aims and tactics, know that they are committed to waging this war, by propaganda, by infiltration and fifth-column tactics, by sabotage and guerilla warfare -- and, when necessary, finally by open all-out nuclear war. The Soviet Union maintains a very huge standing army. The Soviet Union competes on a virtual parity with the U.S.A., as the world's two superpowers in military strength.

And the Europeans are right on their border. They know how communism did prove the "domino theory" correct in Viet Nam. They not only continued on from North Viet Nam to conquer South Viet Nam -- even with full U.S.A. participation with its military force -- but then quickly Cambodia and Laos fell. And, next in the "domino fall-down" is to come Thailand, Burma, Malasia. Singapore a few years ago successfully stopped a threatened communist take-over -- but now they are in the "domino" orbit.

The Europeans are far more disturbed about their safety in relying on United States military power to protect them than Americans realize! The United States is not loved in Europe. European confidence in U.S. protection against their next-door communist neighbor has been lessening and lessening.

EUROPEANS WANT THEIR OWN UNITED MILITARY POWER! They know that a political union of Europe would produce a THIRD MAJOR WORLD POWER, as strong as either the U.S. or the U.S.S.R. -- possibly stronger!

They have made a real effort toward union, in the Common Market. It has made them economically strong. United they could become stronger economically than the United States. The dollar continues dropping in European and Japanese markets -- and especially the German MARK has soared stronger and stronger!

But they well know there is but ONE POSSIBILITY of union in Europe -- and that is through the Vatican.

Two leaders in Europe produced, a few years ago, two different plans for union. The former Archduke Otto von Hapsburg of Austria, and the "strong man of Europe," Dr. Franz-Josef Strauss of Munich. I know the latter well. He has been a dinner guest in my home.

Five years ago I felt, personally, that the more likely plan that might come to fruition was that of the former Archduke of Hapsburg, but the most likely man to HEAD such a union was Franz-Josef Strauss. However, we all become a year older every year, and there has been so much delay that a younger man may now head up such a European union.

As I said before, when Pope John XXIII was in process of election, I felt that the Pope elected might be the one who would make available his good offices to help political leaders of Europe bring about their hoped for union. But at once it became evident that Pope John had other ideas. He started the Ecumenical Movement, to bring about a different kind of union -- a Church union between Protestants, Eastern Orthodox Catholics, and the Roman Catholics.

Then fifteen years ago, I thought Pope Paul might be the one to lead in this European political union. But the resurrection of the

old "Holy Roman Empire" was again delayed. Pope Paul continued with Pope John's ecumenical union project. But that was not to be accomplished.

Few realize it, but GOD ALMIGHTY is the one with power to make and unmake nations and kingdoms. God allows many things. He has allowed Satan to continue for the entire 6,000 years during which, on Adam's choice, God sentenced the whole world -- except such as God for special service should call -- to be cut off from God.

And sometimes God delays -- holds up -- impending events which He has foretold. In the seventh chapter of Revelation, in order of time sequence of prophesied events, the time had come for the seven "trumpet" plagues. But, in this "history-in-advance" account, God is shown delaying these plagues until the sealing of the 144,000, and another innumerable multitude.

On the other hand, God reserves the prerogative to speed up events when His purpose requires. And we may well be at the very time of this prophecy now: "For He /God/ will finish the work, and cut it short in righteousness; because a short work will the Lord make upon the earth" (Rom. 9:28).

It has been, these past fifteen years, appearing that God was holding up world events that are prophesied to come -- delaying them -- to allow time for CHRIST'S GOSPEL MESSAGE to be delivered over the entire world. As in Matthew 24:14, "This gospel of the kingdom shall be preached in all the world for a witness unto all nations, and then shall the end /of the present, evil world/ come."

But during Pope Paul's reign the Roman Catholic Church ran into unprecedented strife-torn troubles from within. Many priests were starting a liberal movement. Quite a number were marrying, contrary to Catholic law. Many nuns were marrying. Probably 90% to 98% (there are estimates only, and they vary) of the Catholic laity neglected completely to follow the traditional church doctrine that the sexual union, even in marriage, must be solely for procreation -- and any other use is decreed sin, even though venial.

Also, Pope Paul faced at the opposite extreme a power group of Cardinals and Bishops and priests, who stood unalterably for traditional conservative Catholic tradition. Pope Paul walked the tight-rope, but did manage to hold the church together, though torn within by dissent and opposing power struggles.

What kind of Pope will the College of Cardinals elect now? (This is written prior to that election). Some Cardinals and Bishops are saying they hope it will be another middle-of-the-roader like Paul -- but there seems agreement that is not likely.

What does seem more likely to me, as an observer and one who understands what is prophesied, is that in the privacy of the locked-in Sistine Chapel, there will be sharp contention -- a heated power struggle from both liberal and conservative camps. It will threaten to split the church right down the middle. Neither side will, in the first few days, give ground.

Then what seems prophetically likely, is that a strong conservative leader will suggest a solution to save the church. Let the Vatican take the lead in uniting the nations of Europe into a political UNION.

Two Popes have failed to achieve ecumenical religious union. Why not now turn to lead in POLITICAL UNION, on condition that the resurrected "Holy Roman Empire" be a UNION OF CHURCH AND STATE!

A political union, with a common monetary currency -- in all probability the German MARK -- with a common MILITARY FORCE to protect not only political Europe but also Catholicism against encroaching COMMUNISM! Communism is perhaps a bigger threat to Catholicism than to political Europe.

But also, this political union will put the Catholic Church right back in the saddle as it was from 554 to 1814 -- with the power of police and military to enforce its decrees!

At one bold stroke, this would solidify the Roman Catholic Church and its strife from within, protect it from communist encroachment, and elevate it to a position of pinnacle POWER, heading what may well become the GREATEST POLITICAL AND MILITARY POWER ON EARTH!

Of course the liberals will object to this enforcement of the Catholic faith, if it is to enforce the traditional conservative doctrines. The conservative Cardinals may give some ground. This meeting of the College of Catholic Cardinals may emerge with a slightly changed Catholic doctrine -- but the traditional conservatism will probably carry the balance of power, in what emerges from this Cardinal Congress.

The meeting of the Catholic College of Cardinals in the Sistine Chapel at the Vatican may well prove to be a WORLD-SHAKING EVENT -- the most important world event since World War II!

In the panorama of prophesied world events, the next prophesied event IS the restoration of the "Holy Roman Empire" as a new "United States of Europe!"

After that -- WHAT?

The update of the free booklet United States and Britain in Prophecy," contains the eye-opening and supremely TIMELY ANSWER!

(Editor's Note: Since the preceding Personal is to appear in the December PLAIN TRUTH, Mr. Armstrong wanted the ministry to have advance opportunity to read it.)

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PERSONAL FROM STANLEY R. RADER

There has been a systematic effort to destroy the reputations of Mr. Herbert W. Armstrong and those closest to him. This effort was spear-headed by Garner Ted Armstrong, but aided and abetted by those seeking

favor with him. Mr. Armstrong has written and spoken about this during the past few months, and I am certain that you will recall similar efforts on his part to correct the problem during the past several years.

Although my record of performance is well known and well documented, there has nonetheless been a conspiracy to place a cloud over it, and to impune my character, my reputation and my professional integrity. My financial arrangements with the Church, matters which are of record and known to all parties with the right to know them, have been falsely distorted and made to appear wrongful. Accordingly, I am taking this opportunity to share the record with you in order to put to rest once and for all the speculations and misapprehensions in this area.

When I first met Mr. Armstrong the Work was very small -- the total gross revenues from all sources was less than \$800,000 annually. Mr. Armstrong soon learned that he could rely on me to get problems solved -- problems that were not being solved by others for whatever reasons. He asked me to represent the Work on a retainer basis. We agreed that the Work would prosper, and in time I would be compensated in accordance with the scriptural principle that "a servant is worthy of his hire." I had great faith in the Work and in Mr. Armstrong and I threw myself into my responsibilities with the zeal and energy necessary to get the job done -- with little regard to my compensation.

By 1969, I had helped Mr. Armstrong in many ways and we had come to love one another very much. We had a very special relationship which I shall always cherish as will my wife and my children. I was still very successful on two other fronts -- in my law practice and in my public accounting practice. At that time, however, Mr. Armstrong and Mr. Portune asked me to come into the Work "a little more" by giving up all other professional activities that required my own commitment of time and energy. We agreed and, from that time forward, I devoted all my time, talent and energy to Mr. Armstrong and the Work. We agreed that whatever it took to meet my financial requirements would be provided.

Prior to 1969 the only financial dealings that I had with the Work were for the payment of my professional services, with one exception. At Mr. Armstrong's specific request in 1967, I managed to arrange for the financing of the first Falcon aircraft after all other attempts to do so by Mr. Portune and his colleagues in the business office had been unsuccessful. The only way that I was able to provide the financing for the completion of the purchase of the falcon from Pan American Airways was to arrange a tripartite agreement between Mid-Atlantic Leasing, Pan American Airways and the Church. Mid-Atlantic Leasing was a partnership which was formed for the transaction. The partnership was willing to act as the lessor if it would be guaranteed certain tax shelter benefits. Furthermore, since it was impossible for a partnership to be assured of the Church's credit-worthiness, the partnership required that 1) I take part in the transaction and that 2) I indemnify each of the other partners in the event of the Church's default in any material respect.

After careful consideration and much discussion with all parties, it was agreed that the financial arrangements were equitable for all

parties and that my participation would not be in conflict with the Church or any professional responsibilities that I might have had as a result of my relationship to the Work as a lawyer and as an advisor to Mr. Armstrong.

At that time, it was also clearly foreseeable that at the termination of the lease the provisions of the tax law would result in a definite tax loss for me. The Church agreed to indemnify me from such loss if, in fact, it were to occur. In July 1977, the lease was terminated, but well in advance of the termination date provided for in the lease agreement. Accordingly, I am now in the process of calculating the actual economic loss that I have suffered as a result of the transaction that began in 1967.

In the fall of 1969, Mr. Armstrong decided to terminate the services of his advertising agency, M. B. Scott, Inc., and he determined that it would be in the best interest of the Work that the time-buying function be transferred to an agency that would be more under the control of the Work. Mr. Armstrong and Mr. Portune were both aware of my vast background and experience in the advertising field as a result of my contact over the years with Mr. Scott and other advertising agencies, as well as my broad overview of the entire communications field as a result of my law practice. Hence I was asked to form an Advertising Agency and to limit its activities to representation of the Work.

From the late fall of 1969 until March 1975 when I was baptized, I was the president of Worldwide Advertising Inc., although several years prior to that time I had delegated away most of the day-by-day operations. During the years 1969 through 1975, copies of the Worldwide Advertising income tax returns were made available to Mr. Portune and my remuneration to Worldwide Advertising was, of course, included as an important item on those tax returns.

In 1975, upon my baptism, and of course after becoming a director and an officer of the church and the college, it was necessary for me to divest myself of any and all interest in Worldwide Advertising.

Prior to 1971, I never lived in a faculty or college home. Although Mr. Armstrong and others thought it would be better for me to live in the Pasadena area, my wife was unwilling to make the move from Beverly Hills and hence we did not. In 1971, however, it became clear to Mr. Armstrong, to Mr. Portune and to me that there would be benefits of a substantial nature to the Work if I were to be able to undertake the responsibility of seeing to the needs of the very important overseas visitors that were coming to California at Mr. Armstrong's invitation, and also to maintain a residence that would lend itself to the type of formal and large scale receptions also necessary to fulfill the various responsibilities of the Work as a result of its ever-increasing activities throughout the World.

Accordingly, a more appropriate home was found in Beverly Hills that was, in Mr. Armstrong's opinion, the perfect residence for such activities. We did not feel, however, that it would be possible for me to live in such a residence on a tax-free basis as did our ministers and faculty members. Hence, we agreed that I would purchase the home.

Financing would be arranged with the help of the Church and my remuneration would be adequate to cover the increased costs.

For many, many years Mr. Armstrong has stated on more than one occasion that I am the highest-paid individual in the Church. This fact is well known to responsible persons at Headquarters. Whether I should be the most highly-paid person in the Work, of course, is something for Mr. Armstrong, as Christ's apostle, to decide. I do not feel, however, that I should be embarrassed that Mr. Armstrong has felt that I have been "a servant worthy of his hire."

I have had no other financial dealings with the Work and I have never been involved as a recipient directly or indirectly of any favor, financial or otherwise, from any person or institution that has had dealings with the Work. My reputation in the community is without blemish and I intend to keep it that way.

I love the Work, I love the brethren. I am a dedicated and loyal servant of the living God and I would hope to be able to serve God, Jesus Christ, the Work and the brethren as well as Mr. Armstrong for many years to come. However, as I have told Mr. Armstrong repeatedly over the years, "Perhaps it is time for me to leave the scene for the benefit of the Work." I am still willing, as he well knows, to make that move if it would be in the best interest of the Work. But, in the past and in the present, Mr. Armstrong insists that this would not be the case and that he needs me.

I hope that I shall hear from you if there are any questions that I have left unanswered that may be in your minds or, if by communicating here today with you so openly, I raise questions that were not there before.

With Christian love,  
Stan Rader

MINISTERIAL BUDGET UPDATE The 1978-79 budget allows for several new programs that should be brought to your attention. Also, we have a comment or two on regular budget items.

Bible Study Hall Rent: \$100,000 was included in the budget for the rental of halls for local Bible Studies. This amount isn't sufficient for every church to have a Bible Study every week, but we feel it is enough for each church to have 12 Bible Studies throughout the year. Those who want Bible Studies can now go ahead and start them, keeping the limitation we mentioned in mind. Some may want to schedule two series of studies of six weeks each or have one study each month.

Office Equipment: Approval was given for the purchase of some office equipment for the field. We have sufficient to acquire 25 each of desks, chairs, files, typewriters and calculators, plus 50 tape recorders and 20 telephone-answering devices. Obviously, this is not enough to cover all men in the field, so we will have to set up a priority system in which those men with the longest seniority will receive priority, then, after that, those with the most serious need. Therefore, anyone who has a need for one of the above-mentioned items

should let us know as soon as possible. Please do not purchase anything locally without specific approval.

Tuition Expenses: We will reimburse any of you who want to take classes for one-half your tuition expense up to \$150 a year for job-oriented classes that are successfully completed for credit. If it appears that the demand for tuition reimbursement is not as great as anticipated, we may give reimbursement for more than one-half your actual expense. Reimbursement will only be given for classes taken during the 1978-79 fiscal year. If the class ended prior to July, 1978, it will not qualify for reimbursement. Please seek reimbursement via a general disbursement voucher rather than making either tuition or books an expense item.

Books: Budget was approved to allow each field minister to purchase \$30 in books that are immediately useable for theological and pastoral studies. Again, this applies only to books purchased during the 1978-79 fiscal year and not those purchased before July, 1978.

Public Bible Lectures: A small amount (\$5000) was included to help those men who would like to hold public Bible lectures, but do not have enough in the way of local funds to meet all the expenses for mailings and hall rental.

Sabbath Hall Rental: The Sabbath hall rental category received a 12.5% (\$236,000) increase for the 1978-79 fiscal year. Part of the reason for this large increase is that inflation has contributed to substantial increases in hall rentals over the last year, and we are anticipating this trend to continue. The need still exists to find the best hall rental rate available for an acceptable hall. No money was included in the budget for the rental of extra rooms for Y.E.S. programs.

Telephone Expense: The amount budgeted for telephone expense was increased by \$11,000 over last year's level of usage. Over the past few months, we have had a rather substantial increase in telephone expense; however, if any of this \$11,000 is left once the current crisis usage drops back to normal, we will be able to allow increases in telephone expense for those who feel they can profitably use the telephone in place of a certain amount of driving.

\* Dissident Mail: Mr. Ted Armstrong has mailed a large number of letters to various members across the U.S. Please ask any in your church who may have received a letter to give the envelope to you. We would like for you to forward the envelopes to Ministerial Services.

--Ted Herlofson, Ministerial Services

\* NOTICE TO ALL PASTORS: Please read the following to your members for their interest:

New WATS Line Greeting The telephone operators in the WATS (Wide Area Telephone Service) section of the Mail Processing Center in Pasadena are now greeting callers with the words: "Thank you for calling. May I help you?" If you happened to use the WATS number recently and heard this general greeting, you may have wondered why we are using it.

The reason for this simple salutation is primarily to avoid confusion in the minds of many "first-time" callers. Unfortunately some new callers have responded to booklet spot commercials only to hang up immediately when hearing our operators greet them with "The World Tomorrow program." They thought they had gotten the wrong number!

With the recent expansion in media, the WATS number is being used extensively in these nationwide Modern Romans spot commercials in addition to many of our other booklets and in the magazines. And so calls to the WATS number come from spot ads, booklet cards, PT newsstand copies, as well as from ministers and members. In answering any given call, the operators have no way of knowing the background of the caller, and so we are using this general, non-specific response which will be appropriate for any media source.

This simple salutation, of course, is not intended to obscure the Church or the "World Tomorrow" program. However, it allows us to respond to a wide range of listeners -- some who know a great deal about us and some who know very little. Our goal is to serve every response God gives this Work as effectively as we possibly can.

--Richard Rice, Mail Processing Center

EDITORIAL SERVICES UPDATE Several of us in the publishing and editorial areas had some very profitable talks with Frank Brown this week when he was in town on vacation and business. We discussed the new biblical supplement as well as the content of editions in Britain and Black Africa. Present plans call for starting the biblical supplement in the United States and Canada with the December issue (as already mentioned in a previous report). The international editions will begin a month or two later. (Incidentally, we are already working on the U.S. December issue.)

What this decision amounts to is that we will now produce four self-contained signatures (16 pages each) of the PT which can be put together in any combination to meet regional needs. U.S. members and co-workers will automatically receive all four signatures beginning with the December number. The internationals will put the magazine together in various signature configurations to suit regional needs. For example the French will receive two signatures: 1) The cover signature and 2) the biblical supplement signature. The Spanish have elected not to use the supplement at all at this time.

A few other decisions have been arrived at concerning the editorial area: 1) All bylines, except for Mr. Herbert Armstrong's, will be deleted from future booklets and reprint articles. 2) Mr. Armstrong has changed the title of the United States and British Commonwealth in Prophecy to The United States and Britain in Prophecy. 3) Garner Ted Armstrong's byline will be overprinted (blacked out) in existing booklet stocks and deleted from future printings rather than destroying thousands of existing booklets.

A word to the internationals: George Ritter, an experienced writer and editor on the PT and booklets staff, is now coordinating the international editions of the PT. Please feel free to correspond directly with him on any questions or needs in this area. He is doing an

excellent job in the planning of the new biblical signature and other matters.

--Brian Knowles, Editorial Services

#### ON THE WORLD SCENE

JAPAN AND CHINA SIGN HISTORIC TREATY China and Japan signed on August 12 an historic treaty of peace and friendship which brought to a successful climax years of torturous efforts aimed at ending diplomatic enmities born in war.

In the treaty's most controversial clause, the two countries pledged their joint opposition to efforts by any state to establish hegemony in the Asia-Pacific region or elsewhere.

China's insistence on the clause opposing hegemony -- preponderant influence or authority by a single state -- upset the Soviets who felt it was aimed at them. But the treaty, signed by the Japanese and Chinese foreign ministers in Peking's Great Hall of the People, also said the accord would not affect the relations of either state with other countries. Japan, seeking to preserve its tenuous relationship with Moscow as much as possible, had wanted to make clear that the anti-hegemony provision was not directed at any particular nation.

Nevertheless, in Moscow, the Soviet Union angrily denounced the treaty, saying it conflicted with detente and posed a threat to Asian stability. The Soviets have long pushed for their own Moscow-dominated, anti-Peking Asian security arrangement. This now appears dead.

The signing ceremony was watched by Chinese leader Hua Kuo-Feng and Senior Vice Premier Teng Hsiao-Ping and, on live television, by millions in Japan, including Prime Minister Takeo Fukuda who afterwards predicted extensive development of relations and friendship between the two countries.

The Prime Minister smiled broadly for nationwide television and predicted further extensive development of relations between Asia's biggest economic power and the world's most populous nation.

Commenting on the treaty the two nations in 1972 promised would come when they established official diplomatic relations, Fukuda said Japan and China had been linked by a "rope bridge" but now would be linked by a "steel bridge." He said, "With the bridge being steel, it will be able to support more traffic crossing in both directions."

Japan's position as China's leading trading partner will certainly be enhanced by the treaty. The two countries already are doing record business, with two-way trade of 2.14 billion dollars in the first six months of this year compared with 1.5 billion in the same period of 1977.

Total bilateral trade this year was expected to reach 5.6 billion dollars and greatly favors Japan which is supplying large portions of the plant, equipment and expertise China needs for its modernization program.

There is no doubt that the Japanese decision to go ahead with the treaty -- delayed for six years primarily over the wording of the hegemony clause -- was also influenced by Tokyo's declining trust of Washington over trade problems, especially the plummeting value of the U.S. dollar. The threat of protectionism in the U.S. against Japanese goods provides added incentive to try to pry open wider the Chinese market.

Closer ties with China -- even of a military nature could be in the works for the future, as growing friction between Tokyo and Washington means that Japan must look elsewhere for military co-operation against the mounting Soviet challenge. The Christian Science Monitor of August 14, 1978 reports:

The treaty of peace and friendship that has just been concluded between China and Japan could be a historic watershed, not only in Asia but also for the pattern of international politics throughout the world... The reason is that it draws Japan one step closer into a network of both Communist and noncommunist nations concerned about the growing military and political power of the Soviet Union.

The treaty opens the way for growing Japanese economic and political cooperation with China at a time when Peking is persistently seeking to build an anti-Soviet 'containment' network surrounding the Soviet Union and extending from the United States through Western Europe to Japan. China is also attempting to build support in the Soviet Union's 'backyard' with this week's visit by Chairman Hua Kuo-feng to Yugoslavia and Romania...

The treaty is expected to strengthen the hand in Japanese internal politics of those who favor export to China of goods with military implications... Long-term, if limited, defense cooperation between the two countries also is expected by some analysts. Although a formal alliance is not expected, exchange of opinions or intelligence information between defense forces is one option.

--Gene H. Hogberg, News Bureau