

# ***FUNDAMENTAL DISTINCTIONS*** ***Between*** ***COVENANT THEOLOGY and DISPENSATIONALISM***

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## **Introduction**

Several major theological systems have competed against each other since the Reformation.

***Covenant Theology*** is basically Augustinian Theology refined by the Reformers-Luther, Calvin, Knox, and their descendants. It passed from the Puritans to the English Baptists (e.g. John Gill) and thus to the Baptists in the U.S. It placed strong emphasis on the sovereignty of God and predestination.

***Dispensationalism*** has been present in different forms for centuries. Premillennialism can be found in the writings of Justin Martyr, Hermas, Papias, and Irenaeus. It was not as developed as it is today, but it was present.<sup>1</sup>

We do not intend to develop a full-blown scheme of Dispensationalism in this study but instead consider the fundamental distinctions between Reformed and Dispensational Theology.

We will interact with two books that advance the cause of Reformed Theology. They are: John Gerstner, *Wrongly Dividing the Word of Truth* (Brentwood, TN: Wolgemuth and Hyatt, 1991), and Michael Scott Horton, *Made in America* (Grand Rapids: Baker Book House, 1991). We should note that Horton identifies (correctly in this writer's view) much of what is wrong with pragmatic American evangelicalism. I believe that every preacher will profit from reading *Made in America*. Horton's Reformed Theology is, nevertheless, apparent. These books give us a basis for considering the fundamental distinctions between the two systems.

This study intends to show the basic distinctions between the two systems and the biblical basis for a dispensational approach to Scripture.

## ***THE UNIFYING PRINCIPLE IN SCRIPTURE***

The first and most fundamental distinction between Covenant Theology and Dispensationalism is over the unifying principle in Scripture. This is to theology what the Continental Divide is to the geography of the United States. From the Continental Divide, water either flows west toward the Pacific Ocean or east toward the Atlantic Ocean. The difference between Covenant Theology and a biblicist theology on this point is just that radical.

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<sup>1</sup> Nathaniel West, "History of the Pre-Millennial Doctrine" in *Premillennial Essays* (Minneapolis: Klock & Klock reprint, 1981), 313-404. This book is the compilation of lectures on premillennialism which were delivered at an 1879 conference in New York City. West did extensive research on the history of the doctrine.

## *The Reformed Position*

The position of theologians in the tradition of the Reformation is that God made a "Covenant of Works" with Adam, which he broke when he sinned. God then made a "Covenant of Grace" with Adam and the human race that continues until eternity. Therefore, the church consists of all the elect from Adam forward. John Gerstner clearly states this position.

- A. "More to the point is Edwards' contention that the 'work of redemption is a work that God carries on from the fall of man to the end of the world.' This 'work' is done at different times, periods, ages, dispensations, but all are the redemption of God's elect, the church, through the covenant of grace."<sup>2</sup>
- B. "Covenant theology recognizes two overarching covenants which frame God's dealings with man – the covenant of works and the covenant of grace."<sup>3</sup>
- C. Charles Hodge contends that salvation is actually the result of two covenants, a "covenant of redemption" between God and Christ and the "covenant of grace" between God and man.<sup>4</sup>

We object to this position on several biblical grounds.

- A. Covenant Theology assumes the existence of the covenants of works and grace. **These two covenants are simply not found in Scripture.** Hodge, the prominent Covenant theologian, admits this. He says, "This statement does not rest upon any express declaration of the Scriptures."<sup>5</sup>
  - 1. John Gerstner offers a justification for holding this position – "We concede this point only as we admit that no Scripture sets forth the Trinity explicitly."<sup>6</sup>
  - 2. We answer that Scripture does not explicitly teach the Trinity, but it does teach the unity of the Godhead (Deut. 6:4, ff), the deity of each member of the Godhead (Acts 5:3,4; Heb. 1:8; Heb. 11:1-6), and the coequality and eternity of the Father, Son, and Spirit (Jn. 10:30; 15:26). Scripture says

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<sup>2</sup> John Gerstner, *Wrongly Dividing the Word of Truth* (Brentwood, TN: Wolgemuth and Hyatt, 1991), 17.

<sup>3</sup> Gerstner, 265.

<sup>4</sup> Charles Hodge, *Systematic Theology*, (Grand Rapids: Wm. B. Eerdmans Publishing Company, 1993 reprint), II, 354-373.

<sup>5</sup> Hodge, II, 117.

<sup>6</sup> Gerstner, 266.

**nothing** about a covenant of works or of grace as the Covenant Theologians define them.

- B. This position confuses the Abrahamic Covenant with salvation and the church.
1. God clearly purposed in eternity past to save fallen humanity (2 Tim. 1:9).
  2. Men receive salvation the same way in every age (Gen. 15:6; Rom. 4:3, 13-25).
  3. Hodge's attack on the Baptists shows how he confuses the Abrahamic Covenant with the church. It is as follows:

“The Baptists, especially those of the time of the Reformation, do not hold the common doctrine on this subject. The Anabaptists not only spoke in very disparaging terms of the old economy and of the state of the Jews under that dispensation, but it was necessary to their peculiar system, that they should deny that the covenant made with Abraham included the covenant of grace. Baptists hold that infants cannot be church members, and that the sign of such membership cannot properly be administered to any who have not knowledge and faith. But it cannot be denied that infants were included in the covenant made with Abraham, and that they received circumcision, its appointed seal and sign. It is therefore essential to their theory that the Abrahamic covenant should be regarded as a merely national covenant entirely distinct from the covenant of grace.”<sup>7</sup>
  4. Note Hodge's faulty assumptions here.
    - a. He equates the covenant of grace (which he cannot find in Scripture!) with God's covenant with Abraham.
    - b. He then goes on to equate circumcision, the sign of the Abrahamic Covenant, with baptism. *No verse exists to justify this assumption either!*
    - c. We must reply to Hodge that the Abrahamic Covenant was both national and soteriological. The first four promises of Genesis 12:1-3 apply directly to Abraham and the nation. The last promise (“in thee shall all families of the earth be blessed”) is the only one repeated in the New Testament. That promise is fulfilled directly

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<sup>7</sup> Hodge, II, 367.

in Christ (Acts 3:25; Gal. 3:8, 9, 14, 16, 17). God promised salvation through the nation to the world in Christ.

### ***The Biblical Alternative***

- A. The glory of God is a theme that unifies the whole of Scripture. God created the world, sustains it, and will bring it to its proper fulfillment for His glory (Rom. 11:36). A. H. Strong was biblically correct when he said "God is the infinite and perfect Spirit in whom all things have their source, support, and end."<sup>8</sup>
  
- B. Beyond the overarching statement of Romans 11:36 that ties God's glory to His creating, sustaining, and completing work in the affairs of men, it is easy to show that God's glory unifies Scripture.
  - 1. Man's sinfulness is tied to the fact that he refused to glorify God, glorified himself instead, and in his sin is blinded to God's glory (Rom. 1:21-24; 3:23; 2 Cor. 4:3,4). This is consistent with Satan's pattern of rebellion (Is. 14:13).
  - 2. God revealed His glory in the Old Covenant (2 Cor. 3:7,9).
  - 3. God revealed His greater glory in the New Covenant (2 Cor. 3:8,10).
  - 4. God's glory is tied to salvation in the Old Testament (Ps. 96:2,3).
  - 5. God's New Testament revelation of Christ to save men from sin was a revelation of His glory (2 Cor. 4:3-6; Heb. 1:1-3; Jn. 1:1-3; 14; 29).
  - 6. God's purpose for His redeemed people is that they should be to His glory (Eph. 1:6,12,14).
  - 7. God will yet glorify Himself in Israel, His chosen people (Is. 60:1-3).
  - 8. God's purpose for the Church is that it glorify Him (Rom. 15:6; 1 Cor. 1:31; Eph. 3:20,21).
  - 9. God's glory will be revealed in the New Jerusalem, and the redeemed will dwell in the light of His glory forever (Rev. 21:3,23).

## ***THE NATURE OF THE CHURCH***

### ***The Reformed Position***

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<sup>8</sup> A. H. Strong, *Systematic Theology*, (Valley Forge: Judson Press, 1907), 52.

Gerstner's previously cited statement indicates that Covenant theologians hold that the Church began in the Old Testament.

- A. He says: "This 'work' is done at different times, periods, ages, dispensations, but all are the redemption of God's elect, the church, through the covenant of grace."<sup>9</sup> This leads to other faulty assumptions and conclusions.
- B. "It is no different in the New Testament. The Old Testament promises made to the nation Israel are fulfilled in the 'true Israel,' the church."<sup>10</sup>
- C. R. V. Clearwaters referred to the writings of the Reformed theologian N. L. Rice, who affirmed that baptism replaced circumcision as the sign of the covenant in the New Testament era.<sup>11</sup> *No Scripture passage exists to support this claim!*
- D. John Piper makes the same assertion saying: "We may indeed respect the historic, theological arguments for administering the "sign of the covenant" to the children of believers as a God-honoring effort to see unity between the Old and New Covenant people of God."<sup>12</sup>
- E. Piper later says: "There is in fact an important continuity between the signs of circumcision and baptism, but the Presbyterian representatives of Reformed theology seem to have undervalued the *discontinuity*."<sup>13</sup>
- F. I must simply reemphasize that Scripture does not describe such continuity. Our friends who espouse Covenant Theology simply assume this link based upon their unsupported assumption of non-existent covenants of works and grace.

### ***The Biblical Position***

- A. Gerstner's statement that all the redeemed from the fall of Adam forward are part of the Church is not supported by Scripture. Paul states that the church was a mystery, not known until God revealed it to the apostles (Eph. 3:3-10; 21). He says: "Which in other ages was not made known unto the sons of men, as it is now revealed unto his holy apostles and prophets by the Spirit . . . to the intent that now unto the principalities and powers in heavenly places might be known by

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<sup>9</sup> Gerstner, 17.

<sup>10</sup> Michael Scott Horton, *Made in America* (Grand Rapids: Baker Book House, 1991), 169.

<sup>11</sup> I have not been able to find a printed quotation from Rice, though I have learned that he pastored in New York, NY.

<sup>12</sup> John Piper, *Brothers, We Are Not Professionals* (Nashville: Broadman & Holman Publishers, 2002), 129.

<sup>13</sup> Piper, 133.

the church the manifold wisdom of God, according to the eternal purpose which he purposed in Christ Jesus our Lord" (Eph. 3:5,10,11).

- B. Paul is equally as clear in Colossians 1:24-26: "Who now rejoice in my sufferings for you, and fill up that which is behind of the afflictions of Christ in my flesh for his body's sake, which is the church: Whereof I am made a minister, according to the dispensation of God which is given to me for you, to fulfil the word of God; *Even* the mystery which hath been hid from ages and from generations, but now is made manifest to his saints:"
- C. Several observations are in order here.
  - 1. God clearly did not make the truth of the church known in past ages, although it was in His mind and purpose. God purposely hid this secret and did not make it known in previous ages and generations.
  - 2. Paul clearly stated that the church was *now* (in his lifetime) revealed by the Holy Spirit through those men who were then apostles and prophets. It seems that this revelation began with Christ's statement of Matthew 16:18. God has revealed this mystery to the saints.
  - 3. This makes the assertion that the church began with the fall impossible.
- D. The assumption that the Church realizes the promises made to Israel is not supported by Scripture. Where does the Bible make such a statement?
- E. Our answer is that the Bible nowhere makes such a statement. This is an extra-biblical theory.
- F. The idea that baptism replaced circumcision as the sign of the covenant logically follows if the Church receives the blessings promised to Israel. This idea also is without biblical support.
- G. We can summarize the scriptural teaching on Israel and the Church as follows.
  - 1. God chose and called the nation Israel (Gen. 12:1-3; Dt.32:8-10).
  - 2. God used Israel to accomplish three great purposes:
    - a. To give His Word to the world (Rom. 9:4)
    - b. To give Christ to the world (Rom. 9:5)
    - c. To use Israel as the testimony to the existence of the true God in the midst of an idolatrous world (Is. 43:10)

3. Both Jews and Gentiles were saved in the Old Testament (e.g., Melchizedek-Gen. 14; Jethro-Ex. 18:12; Rahab-Heb. 11:31; and God's purpose as revealed in Ps. 96:1-3).
4. Because of Israel's unbelief and hardness, God set the nation aside (Rom. 11:1-25) and deals with the world through the churches (Eph. 3:1-10; 1 Tim. 3:15).
5. In the Old Testament economies, salvation was by faith in Christ (Rom. 3:21-26; 4:1-10), just as it is today (Eph. 2:8,9).
6. The door of salvation is open to Jew and Gentile alike today (Rom. 1:16; 15:9-12).
7. God still has a future plan for Israel (Dan. 9:24-27; Rom. 11:26-29).
8. The promises God made to Israel concerning the land and the kingdom (e.g., Gen. 15:18, 19; 2 Sam. 7:8-17) will be literally fulfilled to the nation, not spiritually fulfilled in the Church.
9. God is going to visit Israel with the blessings of salvation (Zech. 12:10; Rom. 11:25-27).
10. This leads to the premillennial view of the return of Christ. The 70th week of Daniel is yet to be fulfilled in Israel (Dan. 9:24-27), and the fulfillment of the promises made to Israel will be realized during the Millennium.

H. Comment: We easily understand this when we see a dispensation as an economy or stewardship, **not** primarily as a period of time. God revealed Himself and salvation through the nation of Israel. The sacrifices of the law pointed to the once-for-all sacrifice of Christ (Heb. 8-10). The laws of cleanness and uncleanness showed man his sinfulness. Man's inability to keep the law showed his need of a Savior (Gal. 2:16; 3:1-14). Since the death of Christ, God is accomplishing His work on earth through the agency of churches, a mystery kept secret and only revealed through the apostles (Eph. 3:5). Covenant Theologians like to charge dispensationalists with teaching two different plans of salvation, a charge that is not valid.

## THE METHOD OF BIBLICAL INTERPRETATION - HERMENEUTICS

- A. The traditional way of distinguishing the different approaches to interpretation is to state that dispensationalists advocate a literal interpretation of the Scriptures, while Covenant Theologians spiritualize certain prophetic passages. This is a valid distinction.

- B. Gerstner takes a different approach, stating that more similarities than differences between the two systems exist in an approach to interpretation.<sup>14</sup> There is some truth to his statement, and this deserves consideration.
- C. The basic method of interpretation is the "Grammatical, Historical, Theological" method of interpretation.
1. This approach to interpretation begins with the consideration of the grammatical elements of a passage or what the passage says in the original language. This is the exegetical portion of the process of interpretation.
  2. Interpretation then turns to historical considerations. These would include an understanding of events that occurred at the time the passage was written, what figures of speech were used in the passage, and how they were understood by those who wrote and those who read, etc.
  3. Theological considerations comprise the third element. The truth taught in a particular passage will be consistent with the entire body of revelation on a subject. Scripture does not contradict itself. It is the principle that the Holy Spirit teaches us, "comparing spiritual things with spiritual" (1 Cor. 2:13). To say it in human terms, "Scripture interprets Scripture," or "the Bible is its own best interpreter."
  4. This method of interpretation leads one to a sane, literal understanding of Scripture, taking into account illustrations and figures of speech. Illustrations: Lk. 13:32; Jn. 6:70; 8:44.
  5. This is the very method of interpretation advocated by Covenant Theologians. For years the standard hermeneutics text was the one by Louis Berkhof, a Covenant Theologian. Gerstner's point is well taken concerning the similarities in approach to interpretation by men of both persuasions.
  6. The issue then is what passages are interpreted literally and what passages are interpreted figuratively. **"This is the watershed issue."** Gerstner states: "Finally, there is a small area of Scripture, mainly in the area of prophecy, where there is lively debate as to whether one interprets literally or figuratively. The vast proportion of Scripture is admitted by both sides to be either obviously literal or obviously figurative."<sup>15</sup> **We must note that the reason Covenant Theologians insist on spiritualizing prophetic passages is because of their presupposition (which finds no**

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<sup>14</sup> Gerstner, 84-87.

<sup>15</sup> Gerstner, 86.



**support in Scripture) that Israel and the Church are the same. Thus, Horton can make his statement that the promises made to Israel are spiritually fulfilled in the Church. This demands that they spiritualize those prophetic passages.**

7. This is a classic example of beginning with false premises and inevitably coming to wrong conclusions.

## **Conclusion**

- A. It is our contention that Covenant Theology begins with a false premise that the unifying principle in Scripture is the covenant of grace. This covenant is plainly **not** taught in Scripture. This false premise leads to wrong conclusions about Israel and the Church and matters of prophetic interpretation. Covenant Theology imposes a system upon Scripture rather than finding its system in Scripture. Ernest Pickering has stated:

While there are, of course, elements of truth within the covenant scheme, as a system, the major premises of it are largely derived from theological speculation rather than sound biblical exegesis. Covenantists admit in their own writings that some of their key ideas are not clearly stated in Scripture. True theology should arise from a study of the Word of God, not bring a system to the Word of God which is imposed upon it.<sup>16</sup>

- B. It is our contention that Dispensational Theology approaches Scripture as divine revelation and seeks to find what Scripture teaches about a unifying principle, about Israel and the Church, and, thus, interprets Scripture literally. It does not impose its presuppositions upon Scripture, but rather draws its system from Scripture.

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<sup>16</sup> Ernest Pickering, "The Nature of Covenant Theology," (Minneapolis: *Central C. B. Quarterly*, Winter, 1960).