

## DISPENSATIONALISM VERSUS COVENANT THEOLOGY

*By Bob Nyberg*

### *A Brief History of Each System*

Some theologians would have us believe that covenant theology was developed by the founding fathers of the early church. In contrast, they claim that dispensationalism is a mere infant when compared to the grand old scheme of covenant theology. However, the truth of the matter is that systematized covenant theology is actually of recent origin. Dr. Renald Showers wrote:

Covenant Theology did not begin as a system until the 16th and 17th centuries. It did not exist in the early Church.<sup>1</sup>

Cornelius Van Til, a covenant theologian, admits, “the idea of covenant theology has only in modern times been broadly conceived.”<sup>2</sup> Louis Berkhof, another covenant theologian, wrote, “In the early Church Fathers the covenant idea is not found at all.”<sup>3</sup> According to Berkhof, Kaspar Olevianus (1536–1587) was the real founder of a well-developed covenant theology “in which the concept of the covenant became for the first time the constitutive and determinative principle of the whole system.”<sup>4</sup>

Dr. Ryrie points out:

It [covenant theology] was not the expressed doctrine of the early church. It was never taught by church leaders in the Middle Ages. It was not even mentioned by the primary leaders of the Reformation. Indeed, covenant theology as a system is only a little older than dispensationalism. That does not mean it is not biblical, but it does dispel the notion that covenant theology has been throughout all church history the ancient guardian of the truth that is only recently being sniped at by dispensationalism.

Covenant theology does not appear in the writings of Luther, Zwingli, Calvin, or Melancthon... There were no references to covenant theology in any of the great confessions of faith until the Westminster Confession in 1647, and even then covenant theology was not as fully developed as it was later by Reformed theologians. The covenant (or federal) theory arose sporadically and apparently independently late in the sixteenth century.<sup>5</sup>

Likewise, dispensational theology did not exist as a developed system of thought in the early church. However, early church leaders recognized some of the biblical principles upon which dispensationalism is built. For example, Justin Martyr (A.D. 110-165) held a concept of differing programs of God. Irenaeus (A.D. 130-200) spoke of four covenants governing four periods of time in human history (pre-flood, post-flood, the law period,

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<sup>1</sup> Renald E. Showers, *There Really Is a Difference!: A Comparison of Covenant and Dispensational Theology*. Bellmawr, NJ: The Friends of Israel Gospel Ministry, Inc., 1990. Print.

<sup>2</sup> Cornelius Van Til, “Covenant Theology,” in *Twentieth Century Encyclopedia* (Grand Rapids: Baker, 1955), 1:306

<sup>3</sup> Louis Berkhof, *Systematic Theology* (Grand Rapids: Eerdmans, 1994), 211.

<sup>4</sup> *Ibid.*

<sup>5</sup> Charles C. Ryrie, *Dispensationalism, Revised and Expanded* (Moody Press: Chicago, 1995), 185.

and the period of the gospel. Joachim of Fiore (A.D. 1135-1202) distinguished the Age of Law, the Age of Grace, and the future Age of the Spirit and righteousness.

According to Dr. Showers, “the first person on record to develop a genuine dispensational scheme in a systematic fashion was the French philosopher Pierre Poiret (1646-1719).”<sup>6</sup>

Others who contributed to the development of dispensationalism were:

- John Edwards (1639-1716) wrote “*The Compleat History or Survey of All the Dispensations.*”
- Isaac Watts (1674-1748) the famous hymn writer and theologian wrote “*The Harmony of all the Religions which God ever Prescribed to Men and all his Dispensations towards them.*”
- John Nelson Darby (1800-1882) was instrumental in systematizing and promoting dispensationalism.
- C. I. Scofield (1843-1921) popularized dispensationalism through the publication of the Scofield Reference Bible.

Both dispensationalism and covenant theology developed after the reformation. Neither system can be found in the early church fathers. The correctness of a system of theology should not be judged on how recent it is in church history. Any system of theology should be evaluated on the basis of Scripture.

### ***What Is Covenant Theology***

The word “covenant” is a biblical word. A covenant is an agreement that binds two parties together. God made covenants with Noah, Abraham, David and the nation of Israel which are clearly spelled out in God’s Word. However, covenant theology uses the word “covenant” in a theological sense. They are not referring to actual “biblical covenants.”

Covenant theology depicts all of history as being covered by two or three theological covenants. The covenant of works, the covenant of grace, and (sometimes) the covenant of redemption are used to explain all relationships between God and man from the beginning of creation to the end of time.

Covenant theology teaches that Old Testament Israelites and New Testament believers are one people and that the church is simply a continuation of Israel. Therefore the church is understood as including the saints of all the ages.

According to covenant theology, the church began in the Old Testament. Some covenant theologians say the first church began with Adam and Eve. Others say the first church began with the Abrahamic covenant.

Covenant theology teaches that the church, as the successor of Israel, has now taken over the Old Testament prophecies and promises for Israel. According to covenant theology, the promises which God made to Israel are now being fulfilled by the church. They say that because of Israel’s unbelief the nation has forfeited God’s promises found in the Old Testament. This aspect of

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<sup>6</sup> Showers, *There Really Is a Difference*. Print.

covenant theology which teaches that the church has inherited God's promises made to Israel is known as *replacement theology*.

Covenant theology teaches that the Old Testament promises to Abraham and Israel—land, seed, (i.e. posterity or many descendants), and blessings—are being fulfilled spiritually by the church in the New Testament.

According to covenant theology, God's primary purpose in history is the redemption of man. God has only one program and that is the salvation of man. God does not have a distinct program for Israel and a separate program for the church.

Dr. Renald Showers defines covenant theology "as a system ... which attempts to develop the Bible's philosophy of history on the basis of two or three covenants. It represents the whole of Scripture and history as being covered by two or three covenants."<sup>7</sup>

*Covenant of Works*: The first covenant was an agreement that God made with Adam. Adam agreed to work the garden and have dominion over the earth. God agreed to give Adam and his descendants eternal life if they perfectly obeyed. Covenant theology finds its support for the covenant of works in Genesis 2:16-17:

And the LORD God commanded the man, saying, "Of every tree of the garden you may freely eat; but of the tree of the knowledge of good and evil you shall not eat, for in the day that you eat of it you shall surely die."

However, there is not one mention of the word "covenant" in this passage. This passage simply states that if Adam and Eve ate of the forbidden fruit they would die. It does not say that Adam made an agreement with God. It does not say that God promised them eternal life if they obeyed. The fact is that Adam and Eve already possessed eternal life before this prohibition was given to them.

Covenant theologians often accuse dispensationalism of teaching salvation by works. They attempt to build a "strawman" argument against dispensationalists by using a few misspoken statements made by some dispensationalists in the past. But clearly the covenant of works actually teaches a works-based salvation.

*Covenant of Grace*: When Adam sinned, God made a new covenant providing salvation. Covenant theologians teach that believers today are under this same covenant as Adam. This covenant promises eternal blessing for all people who trust in the successive promises of God. They will ultimately accept Christ as the substitutionary covenantal representative fulfilling the covenant of works on their behalf, in both the positive requirements of righteousness and its negative penal consequences—commonly described as his active and passive obedience. Covenant theology finds its support for the covenant of grace in Genesis 3:15:

And I will put enmity between you and the woman, and between your seed and her Seed; He shall bruise your head, and you shall bruise His heel.

Loraine Boettner (covenant theologian) admitted: "We believe that the requirement for salvation now, as originally, is perfect obedience."<sup>8</sup>

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<sup>7</sup> *Ibid.*

<sup>8</sup> Loraine Boettner, *The Reformed Doctrine of Predestination [Fifth Edition]* (Hauraki Publishing, 2017). Print.

Since fallen man cannot obey perfectly, covenant theology teaches that Christ obeyed on behalf of elect sinners. Therefore they conclude that His obedience during His life was just as vicarious as his death on the cross. They say that Christ's sufferings in life was just as substitutionary as His sufferings in death.

However, it was NOT Christ's blood spilled in the garden of Gethsemane that paid for our sins. It was the blood He shed on the cross that purchased our redemption.

*Covenant of Redemption:* Some Reformed theologians have introduced a third covenant, the covenant of redemption. This covenant was supposedly made in eternity past and became the basis for the covenant of grace. The covenant of redemption is supposed to be the agreement between the Father, giving the Son as Head and Redeemer of the elect, and the Son, voluntarily taking the place of those whom the Father had given him. Covenant theology finds its support for the covenant of redemption in passages such as Revelation 5:9-10:

And they sang a new song, saying: "You are worthy to take the scroll, And to open its seals; For You were slain, And have redeemed us to God by Your blood Out of every tribe and tongue and people and nation, And have made us kings and priests to our God; And we shall reign on the earth."

### *Some Weaknesses of Covenant Theology*

Covenant theology has numerous problems. First and foremost, it lacks clear, biblical support. Covenant theology begins by assuming two (or three) covenants which are never mentioned in Scripture.

Oswald T. Allis (covenant theologian) speaks of the covenant of grace as being "cryptic" in Genesis 3:15. Yet the biblical covenants with Abraham, Israel, David, and others are clearly spelled out in Scripture. The whole foundation of covenant theology is based on two or three covenants that cannot be found in Scripture.

Louis Berkhof as much as conceded this lack of biblical support when he wrote:

"It must be admitted that the term 'covenant' is not found in the first three chapters of Genesis, but this is not tantamount to saying that they do not contain the necessary data for the construction of a doctrine of the covenant."<sup>9</sup>

"It may still be objected that we do not read of the two parties as coming to an agreement, nor of Adam as accepting the terms laid down [for a covenant], but this is not an insuperable objection."<sup>10</sup>

"Some deny that there is any Scripture evidence for such a promise. Now it is perfectly true that no such promise [as the covenant of works] is explicitly recorded."<sup>11</sup>

"There may still be some doubt as to the propriety of the name 'Covenant of Works,' but there can be no valid objection to the covenant [of works] idea."<sup>12</sup>

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<sup>9</sup> Berkhof, *Systematic Theology*, 213.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid., 214.

“They who deny the covenant of works generally base their denial in part on the fact that there is no record of such a promise in the Bible. And it is perfectly true that Scripture contains no explicit promise of eternal life to Adam.”<sup>13</sup>

“We have no definite information in Scripture respecting the sacrament(s) or seal(s) of this covenant [of works].”<sup>14</sup>

Likewise, Charles Hodge (covenant theologian) wrote:

“[The covenant of works] does not rest upon any express declaration of the Scriptures.”<sup>15</sup>

“Although the word covenant [as in covenant of works] is not used in Genesis, and does not elsewhere, in any clear passage, occur in reference to the transaction there recorded, ... it is plain that the Bible does represent the arrangements made with Adam as a truly federal transaction.”<sup>16</sup>

To paraphrase Shakespeare, I can only reply to these veiled admissions with the rejoinder: “Me thinks thou dost protest too much!”

Mal Couch sounded the warning regarding covenant theologians’ lack of biblical support:

It is particularly disturbing, though, that the leading proponents of covenant theology admit that there is no scriptural evidence for the two most important covenants in their system—the covenant of works and the covenant of redemption (and/or grace). Covenant theologians admit that these covenants were likely revealed in time, specifically, that they were made in eternity past and outside of the framework of Scripture. Yet they claim that there is substantial evidence that they indeed are legitimate biblical covenants.<sup>17</sup>

Another problem with covenant theology is its inconsistent methods of interpreting Scripture. It uses a double standard with regard to hermeneutics. Covenant theologians use the literal method of interpretation for parts of Scripture and the allegorical method for other parts of Scripture.

Covenant theology also attempts to minimize biblical distinctions found in Scripture. For example, it either denies or blurs the distinctions between Israel and the church; law and grace; the requirements for salvation and for discipleship; as well as the doctrines of justification and sanctification. Covenant theology tries to unify Scripture by saying that biblical distinctions are merely different phases of the same covenant of grace. For example, Berkoff insists that the Mosaic Covenant is essentially the same as the Abrahamic Covenant. Even a cursory reading of these two covenants reveals that the Abrahamic Covenant was unconditional whereas the Mosaic Covenant was conditional. The apostle Paul asserts the distinctiveness of these two covenants in Galatians:

“And this I say, that the law, which was four hundred and thirty years later, cannot annul the covenant that was confirmed before by God in Christ, that it should make the promise

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<sup>13</sup> Ibid., 216.

<sup>14</sup> Ibid., 217.

<sup>15</sup> Charles Hodge, *Systematic Theology*, 3 vols. (Grand Rapids: Eerdmans, 1981), 2:59

<sup>16</sup> Ibid., 2:117

<sup>17</sup> Mal Couch, *An Introduction to Classical Evangelical Hermeneutics : A Guide to the History and Practice of Biblical Interpretation* (Kregel, 2000), 159.

of no effect. For if the inheritance is of the law, it is no longer of promise; but God gave it to Abraham by promise (Gal. 3:17-18).”

Not only is covenant theology built upon theological covenants which have no Scriptural support, the covenant of works is contrary to salvation by grace. Louis Berkhof even admits this fact:

“The covenant is an agreement between God and Adam that he would obey the Lord in regard to not eating of the tree of good and evil. This obedience incumbent upon Adam shows that it is a covenant, though sovereignly initiated by God alone. In a sense, *this was a salvation by works*. Covenant theologians argue as to whether this covenant has been revoked and annulled or not.”<sup>18</sup>

According to Berkhof, some covenant theologians teach that this covenant of works is still valid today. While dispensationalists categorically deny salvation by works, apparently some covenant theologians say that salvation by works is at least theoretically possible.

However, human effort is never presented as a condition of salvation in Scripture. Yet according to covenant theology, Adam and his descendants would have eternal life if they obeyed God perfectly. Before the fall, Adam did not have a sin nature. He was already rightly related to God. Adam came from the hands of the Creator sinlessly perfect. The command of God to obey Him was not designed to produce eternal life in him or to relate him rightly to God. He already enjoyed a state of sinlessness and the proper relation to his Creator.

Another problem with covenant theology is that it fails to recognize progressive revelation in Scripture. James Orr (covenant theologian) wrote:

“It [covenant theology] failed to seize the true idea of development, and by an artificial system of typology, and allegorizing interpretation; sought to read back practically the whole of the New Testament into the Old.”<sup>19</sup>

Covenant theology limits God’s purpose in history to the salvation of man. While the salvation of human beings is extremely important, it is only one aspect of God’s purpose in history. God not only has a program for saved individuals, He also has a program for the unsaved. He has a program for the nation of Israel and a program for the Gentile nations. He has programs for both good angels and fallen angels. All of these programs contribute to God’s ultimate purpose for history which is to magnify His own glory. The ultimate goal of history must be large enough to encompass all of God’s programs. To focus on just the salvation of human beings is to put blinders on with regard to everything else that God is doing.

James Orr eloquently said of his own system that covenant theology puts God into a soteriological straitjacket.

The fact that covenant theology places the believer under the law of Moses is also problematic. According to covenant theology, for people to be rightly related to God they must obey the moral aspects of the law of Moses—that is the 10 commandments. They divide the law of Moses into three parts: 1) the civil law, 2) the ceremonial law and 3) the moral law. They claim that Christians are not under the civil law or ceremonial law. However, they are under the moral law.

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<sup>18</sup> Berkhof, *Systematic Theology*, 217.

<sup>19</sup> James Orr, *The Progress of Dogma* (Grand Rapids: Eerdmans, n.d.) 303-4.

While theologians artificially divide the Mosaic Law into three parts (civil, ceremonial, and moral), the law functioned as an indivisible unit. For the Jew to be under the Mosaic Law meant that he was under the entire Law. He could not just pick and choose which aspects of the law that he wanted to be under. The law of Moses was not simply a kosher smorgasbord.

Dr. Renald Showers contrasts the believer's relation to God's moral absolutes with the Mosaic Law:

Although the Mosaic Law did present the eternal, unchangeable, moral absolutes of God, it was only one way of God's administering His moral absolutes to one group of people (the nation of Israel) during one period of history (from God's meeting with Israel at Mount Sinai to the cross of Jesus Christ) [Dt. 4:8–14; 5:1–22; Gal. 3:19, 23–25].

Since God's moral absolutes are eternal, they have been in effect throughout all of history; thus they were in effect before God instituted the Mosaic Law at Mount Sinai. This means that prior to Mount Sinai God administered His unchangeable, moral absolutes in ways other than through the Mosaic Law. It also means that God's eternal, moral absolutes can be in effect without the Mosaic Law being in effect.

In addition, it should be noted that before the Mosaic Law was instituted there were people who lived righteous lives in conformity to God's moral absolutes. Abel (Heb. 11:4), Enoch (Gen. 5:22, 24; Heb. 11:5), Noah (Gen. 6:9; Ezek. 14:14, 20), and Job (Job 1:8; 2:3; Ezek. 14:14, 20) are examples of such people. It is interesting to note that God placed Noah and Job (who lived without the Mosaic Law) in the same category of righteousness as Daniel (who lived under the Mosaic Law) [Ezek. 14:14, 20]. The fact that some people lived righteous lives in conformity to God's moral absolutes before the Mosaic Law was instituted indicates two things: People can be related to the eternal, unchangeable, moral absolutes of God without being under the moral aspect of the Mosaic Law; and it is possible for a person to be free from the moral aspect of the Mosaic Law without being lawless.

Freedom from the moral aspect of the Mosaic Law does not involve freedom from the eternal, unchangeable, moral absolutes of God. It only involves freedom from one way of God's administering His absolutes—namely, through the Mosaic Law. Also, there are more than two alternatives open to the Christian—either be under the moral aspect of the Mosaic Law or be lawless. There is a third alternative—if one is under God's *grace* in administering His eternal, unchangeable, moral absolutes, one will not be lawless.<sup>20</sup>

### ***What Is Dispensational Theology***

Previously we said that covenant theology depicts all of history as being covered by two or three theological covenants. In contrast, dispensationalism represents all of Scripture and history as being covered by several dispensations of God's rule. In this system there are usually, but not always, seven dispensations.

We also noted that covenant theology views God's primary purpose in history as being the redemption of man. In contrast, dispensational theology sees the ultimate goal of history as God glorifying Himself by demonstrating the fact that He alone is the sovereign God.

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<sup>20</sup> Showers, *There Really Is a Difference*. Print.

If you reduce dispensationalism to its basic essentials, what might it look like?

Dr. Charles Ryrie reduced dispensational theology to 3 basic essentials:

The essence of dispensationalism, then, is the distinction between Israel and the church. This grows out of the dispensationalist's consistent employment of normal or plain or historical-grammatical interpretation, and it reflects an understanding of the basic purpose of God in all His dealings with mankind as that of glorifying Himself through salvation and other purposes as well.<sup>21</sup>

Grant Hawley expanded upon Dr. Ryrie's list of essentials:

1. Literal, historical, grammatical interpretation should be applied to all portions of Scripture.
2. The church and Israel are distinct peoples in God's program for the ages.
3. The Lord Jesus Christ will return bodily to earth and reign on David's throne in Jerusalem for one-thousand years.
4. The underlying purpose of God's dealings with the world is His glory, not merely the salvation of man, thus the Scripture goes far beyond evangelism.
5. The Christian is free from the law in its entirety for both justification (Gal 2:16) and sanctification (Gal 5:18).

Each of these points is fundamental to normative dispensationalism, but the first point is primary among them because all of the other points flow from consistent literal interpretation.<sup>22</sup>

Both Ryrie and Hawley see the consistent application of literal, historical-grammatical interpretation as being the foundation of dispensational theology—the key word being “consistent.” Covenant theology also employs literal, historical-grammatical interpretation, however this method of interpretation is not consistently applied.

Dr. Charles Ryrie explains:

Consistently literal, or plain, interpretation indicates a dispensational approach to the interpretation of Scripture. And it is this very consistency—the strength of dispensational interpretation—that seems to irk the non-dispensationalist and becomes the object of his ridicule. To be sure, literal/historical/grammatical interpretation is not the sole possession or practice of dispensationalists, but the consistent use of it in all areas of biblical interpretation is.<sup>23</sup>

When the student of God's Word consistently uses the literal, historical-grammatical method of interpretation, then he will see that there is a difference between national Israel and the church. This is a fundamental difference between dispensationalism and covenant theology. Dr. Ryrie considers this point to be the benchmark of dispensational theology:

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<sup>21</sup> LaHaye, Tim, and Ed Hindson. *The Popular Encyclopedia of Bible Prophecy: Over 150 Topics from the World's Foremost Prophecy Experts*. (Eugene, OR: Harvest House, 2018). Print.

<sup>22</sup> Grant Hawley, *Dispensationalism and Free Grace: Intimately Linked*. (Dispensational Publishing House, 2017). Print.

<sup>23</sup> Ryrie, *Dispensationalism*. 34



This is probably the most basic theological test of whether or not a person is a dispensationalist, and it is undoubtedly the most practical and conclusive. The one who fails to distinguish Israel and the church consistently will inevitably not hold to dispensational distinctions; and one who does will.<sup>24</sup>

Another distinguishing factor between dispensationalism and covenant theology relates to God's primary purpose in history. The covenant theologian has a myopic view in that he reads all of Scripture through the lens of the redemption of man. In contrast, dispensationalists have a much broader view of God's ultimate goal of history.

Dr. Charles Ryrie explains:

The covenant theologian, in practice, believes this purpose to be salvation (although covenant theologians strongly emphasize the glory of God in their theology), and the dispensationalist says the purpose is broader than that; namely, the glory of God.<sup>25</sup>

Scripture is not man-centered as though salvation were the main theme, but it is God-centered because His glory is the center. The Bible itself clearly teaches that salvation, important and wonderful as it is, is not an end in itself but is rather a means to the end of glorifying God.<sup>26</sup>

Dispensationalism rests upon the consistent use of the literal, historical-grammatical method of interpretation. While covenant theology does employ the literal, historical-grammatical method, it does so inconsistently. This is clearly seen in the doctrine of eschatology. Dispensationalists take prophetic passages of Scripture and read them through a plain, or literal lens of interpretation. Therefore, they understand the promised millennial kingdom to be a literal 1,000 year reign of Christ on earth—premillennialism. In contrast, covenant theologians abandon the literal method of interpretation with regard to Bible prophecy. Instead, they use an allegorical method of interpretation which allows them to conclude that the millennial kingdom is non-literal resulting in amillennialism or post millennialism.

Interestingly, covenant theologians admit that a straightforward reading of God's Word leads to the conclusion that the prophesied millennial kingdom will be a literal 1,000 year reign of Messiah on earth. And yet they reject the literal method of interpretation.

For example Floyd Hamilton (amillennial covenant theologian) admitted:

“Now we must frankly admit that a literal interpretation of the Old Testament prophecies gives us just such a picture of an earthly reign of the Messiah as the premillennialist pictures. That was the kind of Messianic Kingdom that the Jews of the time of Christ were looking for, on the basis of a literal kingdom interpretation of the Old Testament promises.”<sup>27</sup>

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<sup>24</sup> Ibid. 33

<sup>25</sup> Ibid. 34

<sup>26</sup> Ibid.

<sup>27</sup> Floyd E. Hamilton, *The Basis of Millennial Faith* (Grand Rapids: Eerdmans, 1942), 38.

Oswald T. Allis (amillennial covenant theologian) concurs that “the Old Testament prophecies if literally interpreted cannot be regarded as having been yet fulfilled or as being capable of fulfillment in this present age.”<sup>28</sup>

Some people relegate eschatology to a secondary doctrine. As such, they tend to minimize the differences between dispensationalism and covenant theology. But the fact is that one’s method of interpretation affects how the entire Bible is viewed. Also there is an interconnectedness between many doctrines in the Bible. When one doctrine is altered, that change affects numerous other doctrines.

Grant Hawley explains:

It is commonly taken as axiomatic that conservative proponents of covenant theology only adopt a method of non-literal interpretation in passages related to yet-unfulfilled prophecy. This is simply not true as can be seen in the fact that so often the debate between methods of interpretation between dispensationalists and non-dispensationalists focus on passages that are not prophetic. Some obvious examples are the Sermon on the Mount, Romans 6-8 ..., the warning passages in Hebrews, and the non-prophetic portions of the Old Testament. If the only divergence is prophecy, why would passages such as these be the focus of discussion rather than it being limited to books and passages like Daniel 2 and 9, the Olivet Discourse, and Revelation?

The theology that arises from our interpretation of one passage necessarily effects our interpretation of other related passages unless we are willing to abandon that theology. The doctrine that arises from non-literal interpretation in eschatological passages produces a domino effect where, in order to maintain the theology that arises from non-literal interpretation of these passages, non-literal interpretation is adopted in many other passages as well. By the time the dominoes stop falling, the vast majority of the Bible is impacted and very little is taken in a way that is consistent with authorial intent.<sup>29</sup>

Covenant theology tends to minimize distinctions in Scripture as it attempts to harmonize God’s Word under the umbrella of the salvation of man. In contrast, dispensational theology simply recognizes biblical distinctions that are found in God’s Word. The fact is that there are indeed distinctions in the Bible.

Dr. Lewis Sperry Chafer used to say that if you don’t bring an animal to sacrifice at church on Saturday then you’re a dispensationalist. Of course, he said that tongue-in-cheek. All interpreters recognize distinctions in Scripture to some degree. Covenant theologians don’t bring animal sacrifices to church, yet most contend that the church and Israel are basically the same entity.

Literal interpretation results in taking the Scriptures at face value. Therefore literal interpretation also results in recognizing distinctions in the Bible. No interpreter of Scripture denies this fact, but the extent to which he recognizes distinctions is the evidence of his consistent use of the literal principle of interpretation. Covenant theology plays down those distinctions in an effort to harmonize Scripture.

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<sup>28</sup> Oswald T. Allis, *Prophecy and the church* (Philadelphia: Pres. & Ref., 1945), 17.

<sup>29</sup> Hawley, *Dispensationalism and Free Grace: Intimately Linked*.

Dispensationalists recognize that there are distinctions in God's Word. They do not ignore them or attempt to explain them away.

Dr. Ryrie explains:

Taking the text at face value and recognizing distinctions in the process of revelation leads to the recognition of different economies in the outworking of God's program. In other words, *consistent literalism is the basis for dispensationalism*, and since consistent literalism is the logical and obvious principle of interpretation, dispensationalism is more than justified... Face-value understanding incorporates distinctions; distinctions lead to dispensations. Normal interpretation leads to the clear distinction between words, concepts, peoples, and economies. This consistent hermeneutical principle is the basis of dispensationalism.<sup>30</sup>

What is a dispensation?

The word dispensation comes from the New Testament Greek word *oikonomia* (οἰκονομία). This is where we get our English word *economy*. The word *oikonomia* literally means house dispensing or house managing. We might say that it is a "household administration."

According to the American Heritage Dictionary, the English word economy (in its theological sense) refers to "The method of God's government of and activity within the world."

It is important to note that dispensations are not ways of salvation, but manners in which God relates to man and has revealed His nature progressively.

The word *oikonomia* appears nine times in the New Testament. Six times its translated *stewardship* or *dispensation*. In these texts it refers to a responsible office or ministry entrusted to one's care by a higher authority (Lk. 16:2-4; 1 Cor. 9:17; Eph. 3:2; Col. 1:25).

Three times its translated *dispensation*, *fellowship*, or *administration* (Eph. 1:10; 3:9; 1 Tim. 1:4). In these texts it refers to a particular way of God's administering His rule over the world.

In Ephesians 1:10 Paul wrote, "that in the *dispensation* of the fullness of the times He might gather together in one all things in Christ, both which are in heaven and which are on earth—in Him (NKJV)." The dispensation of the fullness of the times refers to God's rule of administration the Millennial Kingdom.

In Ephesians 3:9 Paul wrote, "and to bring to light what is the *administration* of the mystery which for ages has been hidden in God who created all things (NASB)." The administration of the mystery which for ages has been hidden refers to the present dispensation.

Dr. Renald Showers explains the meaning of *oikonomia* as it is used in Scripture:

In light of the usage of the word for dispensation in the New Testament, the term dispensation as it relates to dispensational theology could be defined as a particular way of God's administering His rule over the world as He progressively works out His purpose for world history.<sup>31</sup>

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<sup>30</sup> Ryrie, *Dispensationalism*, 73.

<sup>31</sup> Showers, *There Really Is a Difference*.

How many dispensations are there? Traditional dispensationalists usually hold to 7 dispensations. They are:

1. Innocence (Genesis 1:1-3:7)
2. Conscience (Genesis 3:8-8:22)
3. Human Government (Genesis 9:1-11:32)
4. Promise (Genesis 12:1-Exodus 19:25)
5. Law (Exodus 20:1-Acts 2:4)
6. Grace (Acts 2:4-Revelation 20:3)
7. The Millennial Kingdom (Revelation 20:4-20:6)

What defines a person as a dispensationalist is not the number of dispensations that he sees in God's Word. You do not have to believe in 7 dispensations in order to be a dispensationalist. Dr. Robert Lightner taught a class on dispensationalism at Tyndale Seminary. During that class he stated that a person could be a bona fide dispensationalist even if he only held to 3 dispensations—law, grace and a literal millennial kingdom. The point that he was trying to make is that the number of dispensations do not define a dispensationalist. Rather, a dispensationalist is one who consistently employs the principles of literal, historical-grammatical interpretation to all portions of God's Word. If they do then they will keep Israel and the church distinct. They will also understand that the ultimate purpose of God in history is not limited to just the salvation of man. A consistent dispensationalist does not put God into a "soteriological straitjacket." God will ultimately glorify Himself as He works out his purposes throughout the various dispensations—no matter how many there actually are.

### ***Some Strengths of Dispensational Theology***

Dispensationalism is consistent. It uses a normal (literal) interpretation of Scripture. If literal interpretation is the correct principle for understanding the Bible, then we should expect it to apply to all Scripture. Literal interpretation results in accepting the text of Scripture at its face value. God originated language for the purpose of communicating His message to man and that He intended man to understand that message. As a result, dispensationalism helps protect against faulty theology. When a person takes God's Word literally, he will not explain away the author's obvious intent and meaning.

Dispensationalism takes into account the way God gave out His truth over time. God gave his truth progressively as He desired. Using the chronological approach to teach the Bible utilizes this truth.

Dispensationalism explains apparent contradictions in Scripture. Since literal interpretation results in taking the Scriptures at face value, it also results in recognizing distinctions in the Bible. Dispensational theology recognizes those distinctions whereas covenant theology attempts to minimize them. No interpreter of Scripture denies the fact that there are distinctions in the Bible. However, the degree to which he recognizes distinctions is the evidence of his consistent use of the literal principle of interpretation. Taking the text at face value and recognizing the distinctions in Scripture is foundational to dispensationalism.

### ***Some Differences Between Dispensationalism and Covenant Theology***

There are some very significant differences between the two systems of theology. Here are some of those differences.

*The Goal and Biblical Philosophy of History*

Dispensational Theology: God is revealing His glory through His sovereign rule over all creatures in several economies, or dispensations, distinguished by some unique differences culminating in the Millennium.

Covenant Theology: God is revealing His glory through His sovereign salvation of the elect through one or two covenants unified under a “covenant of grace” culminating in the eternal state.

### *Principles for Interpretation*

Dispensational Theology: The grammatical-historical method is used consistently for a literal and normal interpretation of all Scripture, including unfulfilled prophecy. Progressive revelation is upheld. The New Testament explains the meaning of the Old Testament, but does not change the meaning of the Old Testament.

Covenant Theology: An allegorical-symbolical method is used for a non-literal interpretation which makes most of future prophecy appear to be only figures of speech or past history. Progressive revelation is undermined. The New Testament changes the meaning of the Old Testament by reading its message back into the Old Testament.

### *Israel and the Church*

Dispensational Theology: Israel and the church are distinct. Only those saints of the present dispensation are in the church, which began on the Day of Pentecost and continues until the Rapture. God has distinct plans for the future of Israel and for the future of the church.

Covenant Theology: Israel and the church (both under the covenant of grace) are essentially the same. There are no distinctive groups of saints. All saints throughout history are in the church, which began with Adam (or Abraham) and continues throughout history. God has no special plan for Israel’s future.

### *Water Baptism*

Dispensational Theology: Baptism is for believers only—both adult and child. Most believe that baptism should be by immersion—as a profession of faith and a symbol of an inward reality of our death and resurrection with Christ. It is not for “baptismal regeneration.”

Covenant Theology: Baptism is for adult believers and infants of believing parents. Most practice baptism by sprinkling or pouring as an act of faith, a sign and seal of “the covenant,” replacing circumcision in the Old Testament. It includes “baptismal grace” for regeneration.

### *Law and Grace*

Dispensational Theology: The New Testament believer is not under Law but under Grace. The rule of life for the believer is the grace teaching of the New Testament.

William Newell wrote, “It is a harmful perversion of the truth of God to teach (as did the Puritan theologians) that while we are not to keep the law as a means of salvation, we are under it as a ‘rule of life.’ Let a Christian only confess, ‘I am under the law,’ and

straightway Moses fastens his yoke upon him, despite all his protests that the law has lost its power.”<sup>32</sup>

Covenant Theology: The New Testament believer is under the moral aspects of the Mosaic Law as a rule of life, (but not as a means for salvation).

The Westminster Confession of Faith states, “Although true believers be not under the law as a covenant of works, to be thereby justified or condemned; yet is it of great use to them, as well as to others; in that, as a rule of life.”

### *Rapture and Tribulation*

Dispensational Theology: At the Rapture Christ comes for His saints. This precedes His coming with His saints to establish the Millennial Kingdom. A 7-year Tribulation occurs in between.

Covenant Theology: Except for some who are Premillennialists most would claim that there is no Rapture. There also is no 7-year Tribulation period.

### *The Second Coming and Millennium*

Dispensational Theology: Christ’s 2nd Coming will be premillennial. He will then reign for 1000 years, under authority of the Davidic throne from Jerusalem in a reestablished Israel. He will govern the whole world. Even though the gospel is preached the world will get worse until Christ comes.

Covenant Theology: Most are amillennial and believe that Christ is reigning now over a spiritual kingdom. Some are postmillennial and believe that Christians are now “bringing in” or “expanding” the Kingdom on earth. Through the preaching of the gospel the world will gradually get better before Christ comes. Some are even premillennial but do not believe that God has a special place for Israel in the Millennial Kingdom.

### *Resurrection*

Dispensational Theology: The resurrection of the believers and the unbelievers is separated by the thousand year millennial kingdom.

Covenant Theology: There is one general resurrection of believers and unbelievers at Christ’s 2nd Coming.

### *Judgment*

Dispensational Theology: New Testament believers will be judged at the judgment seat of Christ before the Millennium. All unsaved will be judged at the Great White Throne after the Millennium.

Covenant Theology: All the saved and unsaved alike will be judged at the same time. This refers to a general/last judgment to occur at Christ’s 2nd Coming.

### ***Some Common Features***

No one has all truth. Even within dispensationalism there is room for differences of opinions. There is some common ground between dispensational and covenant theology. For example,

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<sup>32</sup> Miles J. Stanford, *Complete Works of Miles J. Stanford*. (Galaxie Software, 2002). Print.

both systems share similar views on many of the fundamental doctrines of the Christian faith. There are sincere, Godly believers in both camps.

### *Dispensationalism's Link to Free Grace Theology*

Using the literal, historical-grammatical method of interpretation, dispensationalists conclude that there will be a literal 1,000 year reign of Christ on earth as He rules from David's throne in Jerusalem. Dispensational premillennialism results in consistently applying the literal, historical-grammatical method of interpretation. The eschatology of dispensationalism results in pretribulational premillennialism.

Likewise, consistently applying the literal, historical-grammatical method of interpretation results in Free Grace theology. Historically, dispensational theology has held a Free Grace view of salvation. Some opponents of Free Grace theology argue that Free Grace began with Lewis Sperry Chafer. However, Chafer simply elaborated on the teachings of Free Grace where previous dispensationalists had left off.

Therefore, a "consistent" dispensationalist holds to both pretribulational premillennial eschatology as well as, Free Grace soteriology. In contrast, an "inconsistent" dispensationalist might hold to one and not the other. For example, John MacArthur classifies himself as a "leaky" dispensationalist. What does he mean by that? He explains:

Dispensationalism is a system of biblical interpretation that sees a distinction between God's program for Israel and His dealings with the church. It's really as simple as that.<sup>33</sup>

In other words, Dr. MacArthur eliminated 2 of Dr. Ryrie's 3 essential points of dispensationalism. Unfortunately, Dr. MacArthur also blurs the distinctions between Israel and the church. For example he wrote:

There is a tendency ... for dispensationalists to get carried away with compartmentalizing truth to the point that they can make unbiblical distinctions. An almost obsessive desire to categorize everything neatly has led various dispensationalist interpreters to draw hard lines not only between the church and Israel, but also between salvation and discipleship, the church and the kingdom, Christ's preaching and the apostolic message, faith and repentance, and the age of law and the age of grace.<sup>34</sup>

Dr. Ryrie's 3 essential points of dispensationalism are a litmus test which defines a dispensationalist. Clearly Dr. MacArthur is not in the same camp with actual dispensationalists.

In his book, *Dispensationalism and Free Grace: Intimately Linked*, Grant Hawley demonstrates the tie between dispensationalism and Free Grace theology. He wrote:

Dispensationalism alone is able to consistently maintain the distinction between grace and the Law and failing to do so introduces an element of conditionality into the relationship between the Savior and the Christian. However, in keeping the church distinct from Israel and the Mosaic Dispensation separate from the Dispensation of Grace, the dispensationalist is able to decisively and finally sever the ties between the Christian and the Mosaic Law as emphatically asserted by the Apostle Paul (Rom 6:14; 7:4-6; 2 Cor 3:3-

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<sup>33</sup> John MacArthur, *Faith Works: The Gospel According to the Apostles* (Word Publishing, 1993). 219

<sup>34</sup> MacArthur, *The Gospel According to Jesus*. 25

18; Gal 2:16–3:25; 4:4-5; Eph 2:14-16; Col 2:11-23, etc.). This was the case among dispensationalists from the very beginning.<sup>35</sup>

On the one hand, Dr. MacArthur affirms the eschatology of traditional dispensationalism. On the other hand, he rejects the soteriology of traditional dispensationalism. The reason that he rejects Free Grace is because he rejects the foundations that traditional dispensationalism is built upon. The bottom-line is that Dr. MacArthur's Lordship Salvation does not fit into the system of consistent dispensationalism whereas Free Grace fits hand in glove.

### *Why It Matters*

How trustworthy is God? Can we rely upon His promises? Dispensationalism answers those questions with a resounding, "Yes!" In contrast, covenant theology muddies those waters.

A literal view of Scripture pictures a future millennial kingdom with Messiah reigning on the throne of David for 1,000 years.

However, if the hundreds of prophecies having to do with future events were never fulfilled literally, then it would appear that either God *did not*, or *could not*, fulfill His plan as promised. If God *did not* keep His covenanted promises to Israel, then how can we trust Him to be true to His Word and to keep His promises to us? If God *could not* keep His covenanted promises to Israel, then He must not be omnipotent. Either way, the character of God is impugned.

Some covenant theologians try to argue that Israel forfeited those covenanted promises because of disobedience. The problem with that theory is that only one of the covenants that God made with Israel was conditional—the Mosaic Covenant. All the rest were unconditional and were not contingent upon Israel's obedience. Although the Mosaic Covenant was conditional, nevertheless, God predicted that in the latter days Israel would return to the Lord.

In Deuteronomy 4:30-31 we read, "When you are in distress, and all these things come upon you in the latter days, when you turn to the LORD your God and obey His voice (for the LORD your God is a merciful God), He will not forsake you nor destroy you, nor forget the covenant of your fathers which He swore to them."

Was God mistaken? May it never be!

Just as the promises to Abraham, Isaac and Jacob are unconditional, so too are the promises regarding the security of the believer which are found in the New Testament. If the unconditional Abrahamic covenant had hidden conditional clauses that would render the contract null and void, then what guarantee do we have regarding our own salvation?

According to covenant theology:

- The church has replaced Israel because the Abrahamic covenant supposedly was conditional. Apparently, there were hidden strings attached.
- Israel forfeited these contractual promises because of their disobedience.
- Israel lost their national "eternal security" so to speak.

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<sup>35</sup> Hawley, *Dispensationalism and Free Grace: Intimately Linked*.



Yet these same covenant theologians insist upon their doctrine of “perseverance of the elect.” You can’t have it both ways. Either an unconditional covenant is always unconditional or it’s not. If Israel was never on secure ground because of hidden conditional clauses in the Abrahamic covenant, then what right does anyone have to insist that there are no strings attached to the promises of salvation found in the New Testament? To say that Israel lost her national security permanently, and insist that the believer can never lose their eternal salvation is an absolutely untenable position. The promises made to Abraham and his descendants are just as sure as God’s promises to us regarding our salvation.

The apostle Paul assures us that “all the promises of God in Him are Yes, and in Him Amen, to the glory of God through us (2 Cor. 1:20).”

All (not just some) of the promises of God are backed by His magnificent immutable character. The litigators in heaven did not find some obscure loophole that would negate the Abrahamic covenant. Neither will they find some cryptic conditional clause that will invalidate the promises of salvation made to the believer. You can take that to the bank!

Believers who fail to recognize biblical distinctions in God’s Word, often fall into legalistic bondage in their struggle against sinful flesh. The law was a rule of life for Israel, but never for the church. Believers today are to live, or walk, by faith, not by law.<sup>36</sup> We are “in Christ,” identified with Him, and Christ is in us. The glorified Lord Jesus is our life.<sup>37</sup> Earnest efforts toward real holiness by law-keeping is futile and promotes insecurity, frustration (Rom. 7:7-25), and discouragement in the heart of the honest believer.

Clearly there are significant differences between dispensationalism and covenant theology. These differences can impact the message of the gospel. They also can seriously affect the believer’s walk with God. The differences between these systems of theology are not simply a matter of splitting theological hairs. They matter greatly.

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<sup>36</sup> Rom. 6:11, 14; 7:1-6; Col. 2:6; Gal. 3:1-3.

<sup>37</sup> Rom. 6:6-8; Gal. 2:20; Jn. 17:21-23, 26; Col. 1:27.

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### **ARTICLES:**

- Hawley, Grant “[Dispensationalism and Free Grace: Intimately Linked Part 1](#)“
- Hawley, Grant “[Dispensationalism and Free Grace: Intimately Linked Part 2](#)“
- Hawley, Grant “[Dispensationalism and Free Grace: Intimately Linked Part 3](#)“
- Nyberg, Bob “[A Case for Literal Interpretation](#)“
- Nyberg, Bob “[Covenant Theology Versus Dispensationalism—A Matter of Law Versus Grace](#)“
- Nyberg, Bob “[Dispensationalism 101—Contrasting Dispensationalism & Covenant Theology](#)“
- Nyberg, Bob “[Does Unconditional Really Mean Unconditional?](#)“
- Nyberg, Bob “[Whose Mail Are You Reading?](#)“