

PASTOR GENERAL'S REPORT

TO THE MINISTRY OF THE
WORLDWIDE CHURCH OF GOD



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REPORT FROM THE TREASURER'S OFFICE

In my report a month ago, I mentioned that we had ended 1983 with an increase of approximately 12%. However, January of every year usually turns out to be erratic in income percentage increases, because we are comparing smaller numbers with smaller numbers, and any slight change can make a big difference. By the time we get to the end of the year, slight changes have very little effect on the percentage of change.

With this in mind, it is no strange thing that January of this year was quite erratic. We ended the first week with a 10% year-to-date increase, the second week with 24.6%, the third week with 12%, and the fourth week with 14.6%, ending the month with a 14.1% increase. This is a little higher than the year of 1983.

Expenses overall were right on budget for the month. This, coupled with income, shows a little gain in much needed cash reserves over a month ago. However, present financial projections indicate that expected higher expenses in February will wipe out this gain.

We are hoping and praying that this upward trend of income will continue and even improve during the year, and that expenses will be lower than budgeted.

--Leroy Neff, Treasurer

FROM MINISTERIAL SERVICES

International News

New Zealand Year-end Report 1983 ended on a high note, with December bringing in by far the highest ever monthly income total--an increase of 12.8% over last December. Income for the year as a whole was up by a very fine 18.7%, despite a wage-price freeze, which has whittled the nation's inflation rate down to 3.6%.

December also saw a large influx of mail, with 4,516 responses coming in from Mr. Armstrong's latest semiannual letter--already a return of 17%. Of those responding, 82% have requested YOUR AWESOME FUTURE, 74% have requested DID GOD CREATE A DEVIL?, and 89% have taken the opportunity to renew their PLAIN TRUTH subscriptions.

Total mail count for December was 8,212, and for the whole year 72,275--a decrease of 7.9% over last year. The major cause of the drop in mail was a 10.3% reduction in mail from the Pacific, due to our policy of restricting growth in that area to manageable proportions.

For each item of mail that came into the office during the year, over 15 pieces were sent out. Total outgoing items numbered 1,127,195. Of this figure, 14% were letters, 40% newsstand PLAIN TRUTHS, 36% subscription PLAIN TRUTHS, and 10% other literature.

The year ended very well in many other areas too. Total co-workers by year's end stood at 738, the highest figure for many years and representing an increase of 23% over December 1982. The number of co-workers added this year was up a phenomenal 79.7% over 1982! Donors are down by 5.5% compared with December last year, but our number of donors will rise significantly next month, when semiannual letter responses have been added on the computer.

PLAIN TRUTH circulation now stands at around 80,000 copies (including 45,000 in newsstand outlets throughout New Zealand and the Pacific). Approximately one in every 15 New Zealand households receives the magazine.

GOOD NEWS circulation (now 2,600) is up 82% over December 1982, while YOUTH 83 circulation (now 1,200) is down 28% because of the institution of a renewal program this year, combined with no new promotions for the magazine.

The Churches also grew during 1983. Fourteen Churches represent a total monthly attendance of 1,055 (up five percent), 682 of which are baptised members.

New visits for the year were up eight percent from the previous year, and holy day offerings were up by 10.5%.

1984 began in a thrilling fashion with a five-day visit to New Zealand by Christ's Apostle, Mr. Herbert W. Armstrong, January 4 to 9. After visiting the Summer Educational Program, Mr. Armstrong was able to speak to 1,143 brethren in two locations, setting the stage for what promises to be a very exciting year.

1983 Roundup From the "Departement Francais" Despite the steady weakening of the French franc, 1983 was a good year for God's Church in French-speaking areas. The work of the Church moved forward with increased efficiency, unity and growth!

Membership in God's Church for all French-speaking areas worldwide was up 5.2% over December 1982, reaching a total of 1,288 adults. We had 92 baptisms--31 in French Canada and 61 elsewhere. Three new French-speaking Churches were started in 1983.

The Narbonne Church, in Southern France, began in February, pastored by Mr. Bernard Audoin, a preaching elder. Average attendance is 26 and services are held every two weeks.

The Rouen Church, in the Normandy area of France, started in January. Mr. Gerard Claude, local church elder, pastors the congregation of about 39 and holds twice-monthly services.

The Bathurst Church in New Brunswick, Canada, held its first service on July 16. The bimonthly services average an attendance of 53 and are pastored by Mr. Dan Samson, assisted by Mr. Eric Vautour.

Subscriber circulation of La PURE VERITE, as of December 1983, stood at 136,729--up 6.9% over 1982. While 59,483 new people started receiving the PV in 1983, 50,231 subscribers were dropped because they chose not to renew.

The French International GOOD NEWS, known as La BONNE NOUVELLE DU MONDE A VENIR, finished 1983 with a circulation of 10,322, which is up 218.8% over 1982. The great increase was due to our offering this magazine to Bible Correspondence Course students, as well as to new co-workers and prospective members.

We presently have complete 1983 income figures for three out of five major areas (reports from Switzerland and the West Indies have not yet been received). French Canada saw a 25.9% increase in income over 1982; France had a spectacular increase of 35.8% for this same period; and Belgium recorded a solid 18% increase.

Co-workers on file increased 9.3% over 1982, and donors increased 63.9%. This was due to 21.5% more co-workers added in 1983 than were added in 1982, and 80.6% more donors.

A new centralized and computerized mail processing system for the entire French Department was initiated in January 1983 and has proven to be extremely useful and efficient. The system is very flexible and can accommodate different mail receiving centers and different mailing locations all over the world.

This is how our 63,689 new 1983 correspondents (59,483 of whom asked for a PV subscription) learned about us:

READER'S DIGEST ads (76% of these responses by French Canadians)	18.0%
PV magazine and newspaper inserts (81% French Europeans)	16.5%
Subscription issues of the PV (63% French file not Canadian)	15.3%
Newsstands (mostly in Canada) (78% French Canadians)	10.6%
Miscellaneous display advertising	10.3%
Radio and TV (94% French Europeans)	9.4%
General referrals from Geneva, Paris and other offices	7.6%
Fairbooths	3.8%
Cardholders	2.5%
Miscellaneous	6.0%

The advertisement placed in SELECTION, the French Canadian version of READER'S DIGEST, brought 5,081 requests for subscriptions to La PURE VERITE during the month of November.

Finally, it is interesting to note that 88% of French-speaking members live in areas where they can attend services led by an ordained minister. Also, 81% of La PURE VERITE subscribers, 90% of French IGN subscribers and 91% of CC students live in areas in which we have stationed an ordained minister and a Church which meets regularly for Sabbath services.

TRANSPORTATION TO SEP CAMP AT ORR

Probably the greatest concern parents have in sending their children off to S.E.P. is the trip to and from camp. If enough individuals show an interest there will be a local church-owned bus providing transportation from the Seattle-Tacoma, Washington area to and from Orr. It will make planned stops along the route to pick up the various campers. This trip will be made available for the third session only. For further details please contact Mr. Paul Shumway at (206)922-2068 before April 1, 1984.

Comments From Monthly Church Reports

From the United States

RIVERSIDE, CA--TERRY MATTSON: Many have felt a concentrated attempt by Satan to try to break them with increased pressures from their employers and unconverted family members. Many have expressed how much more they realize they need the Church and to further come out of the world.

FORT WORTH, TX--BOB SMITH: Mr. Armstrong's letter and Dr. Hoeh's visit have prompted a renewed awareness of the precarious times in which we live, and the need to avoid becoming "choked...and unfruitful" by the cares of the world.

TOLEDO, OH--GEORGE KACKOS: It is encouraging to see members growing closer to God, the ministry and each other through their trials. They are seeing where changes need to be made, especially the need to draw closer to God. As one man said, "I know I need to get back to prayer, Bible study and meditation." How true!

JOHNSTOWN, PA--ART DYER: Members are very concerned with the state of the world and are following current events. They seem to feel more pressure to shape up. They are looking to Headquarters and Mr. Armstrong for leadership.

FORT SMITH, AR--JOHN ELLIOTT: Responsiveness to authority at all levels within the Church has increased dramatically over the past two years here. No longer are people as hard to motivate, nor do they hold back with reservations as they once did.

SAN BERNARDINO, CA--JAMES PEOPLES: The influence of Mr. Armstrong and his effectiveness in helping mold and shape the

thinking of the youth in God's Church is becoming more and more apparent. The much-too-familiar attitudes of skepticism and cynicism of the teen-agers have been completely turned around, and now the predominant attitudes are those of cooperation, willing compliance, and trust of those in authority.

LAFAYETTE, IN--DAN FRICKE: Mr. Armstrong's sermons always have a positive impact on the brethren, focusing on the basics and reminding us of our high calling. The recent severe weather we had brought out the ongoing care the brethren have for one another. In several cases, members went out of their way to help or check on the needs of others. Just another proof that God's Spirit has produced that brotherly love characteristic of the Philadelphian era.

CINCINNATI (NORTH), OH--BOB LEAGUE: Brethren were thankful to receive the new truth from Mr. Armstrong's sermon on the value of human life. As Mr. Armstrong grows in grace and knowledge, so do we.

GRAND ISLAND, NE--DON HOOSER: We really appreciated Mr. Armstrong's two tapes. It is certainly inspiring to realize how much new knowledge God has blessed us with through Mr. Armstrong. He certainly has the gifts of the "word of knowledge" and the "word of wisdom" in communicating to God's Church and to the world so much knowledge and wisdom, and so clearly.

TULSA, OK--DONALD MASON: Mr. Armstrong's tapes are very much appreciated here in Tulsa. This has been the busiest month of the year for PM activity. The TV program seems to be having a big impact here. Many new people comment on how Mr. Armstrong makes sense and backs up what he says with proof.

--Joe Tkach, Ministerial Services

UPDATE FROM MAIL PROCESSING

Response Forges Ahead in 1984!

Response to the work of God's Church continues to show healthy growth thus far in 1984. More records fell as the Mail Processing Center experienced the busiest January ever! Here is a brief summary of this past month's activity:

- MAIL RECEIVED--397,073 pieces, a 40% year-to-date increase.
- WATS TV CALLS--56,762, 28% higher than January 1983 and the second highest monthly total ever.
- NEW PEOPLE ADDED--130,384 new names were put on file, 32% more than last January.
- TERMINAL ENTRIES--514,000 items were processed. This is only the eighth time ever to reach the half-million mark in a month.
- BOOKS AND BOOKLETS MAILED--447,313 pieces, a 10% increase over January 1983 and another record.

Comments About the 50th Anniversary Issue of The PLAIN TRUTH

We have received hundreds of comments about the special 50th anniversary issue of The PLAIN TRUTH. Readers were profoundly impressed with its beautiful design and meaningful content. They offered their sincere thanks and congratulations to Mr. Armstrong and the entire PLAIN TRUTH staff. Following are samples of the many letters received:

I have been reading The PLAIN TRUTH magazine for quite a few years now, and have enjoyed it very much. I am Catholic but have learned more about the Bible from the magazine than from all my years of going to church.

I have just received your 50th anniversary PLAIN TRUTH, and it is amazing how accurate you have been. I agree with you that the world has taken God out of the picture. God has sadly become just a word to so many people. We have changed His laws to fit our own way of life. It makes me want to shout with joy when I realize that Jesus will soon be coming to make this world into the kind of world God wants it to be.

Keep publishing your magazine, because it is a light in this darkened world.

L.W. (Milwaukee, WI)

On the occasion of the golden anniversary of your magazine, I congratulate you and I express my admiration for your vigor and vitality at 92 years of age. Although from a dogmatic point of view we have basic differences, most of The PLAIN TRUTH's articles are great contributions (of Christian influence) to modern humanity.

Today, dark forces bring confusion and despair to the whole world, but The PLAIN TRUTH brings to the world enlightenment and hope--hope for a better mankind. May God bless you and your co-workers and may He lead all of you to salvation.

P.F. (Danielson, CT)

Thank you again and again for the greatest issue ever printed yet--the golden anniversary issue of The PLAIN TRUTH. I was a little girl in 1934, but can well remember the events of those years and my family discussing them. Most were frightening to me; I couldn't understand.

Years later God called me and it was after the truth of His Word was explained to me via The PLAIN TRUTH, the broadcast, literature, the Church, the feasts, etc. that I came to understand where we are going, how the world is held captive, the only real value of human life, who God is, what man is, and much more. I could write a book of all the great things God has done for me through the years.

I thank you, the Church, and all the employees for my being so privileged as to hold the beautiful golden anniversary issue of The PLAIN TRUTH in my hands--and what's more, to understand it,

to believe it, and with God's help to live it, knowing and continually proving it is God's expounded Word.

L.E. (Loveland, CO)

The 50th anniversary PLAIN TRUTH is just beautiful. The articles and pictures are precious. If this Church did nothing else but prepare The PLAIN TRUTH magazine and get it where it goes today, it would still be a miracle. When I try to figure out all that goes into it from the tree being cut for paper to the readers' hands, it boggles my mind.

Mrs. J.H. (Mill Run, PA)

I just received your beautiful publication, The PLAIN TRUTH for its 50th anniversary and would like to compliment those responsible for designing the cover. It is very elegant. I also enjoyed the color photos of Ambassador College and am very impressed with the size and beautiful grounds. All the students should be proud of being a part of it. Thank you for this lovely magazine.

W.V. (Morehead City, NC)

The February 1984 PLAIN TRUTH is the most uplifting, inspiring magazine I have ever seen. The articles are most inspiring yet sobering as they show the world we live in with precise detail, and also the wonderful World Tomorrow. Thank you very much for the work you are doing.

W.L. (Stratford, OK)

May Almighty God bless you and the entire staff of The PLAIN TRUTH on the 50th anniversary of publication. I shall treasure this masterpiece of art and composition of articles and photos.

D.M. (Woodside, NY)

--Richard Rice, Mail Processing Center

ON THE WORLD SCENE

AMERICA "DROWNING IN DEBT" President Reagan's \$180.4 billion budget deficit for 1985, plus those he's projecting into the future, are worrying economists and business leaders. The surging tide of federal red ink, with little hope for improvement in the future, threatens to throttle the country's economic recovery, as evidenced by the stock price nosedive on Wall Street the past several days. Here's how the February 13 U.S. NEWS & WORLD REPORT looks at the problem.

The 100 billion dollars the President wants to shave from the deficit over the next three years with Democratic help is merely a ripple in the sea of red ink that now is engulfing the nation.... The 180.4-billion-dollar deficit for 1985 assumes that Congress enacts some 20 billion of reductions--no certainty. Otherwise, concedes Budget Director David Stockman, the deficit will top 200 billion a year in 1985 and beyond....

The President's newest deficit projection would propel the government's 1.4-trillion-dollar debt--already 53.5 percent higher than it was when he took office three years ago--above the 2-

trillion mark in the summer of 1986, according to the U.S. NEWS & WORLD REPORT Economic Unit....

Those who do worry about today's chronic deficits fear that Treasury borrowing to finance them will clash with an expected pickup in private credit needs as the recovery continues. That "crowding out" effect, according to this reasoning, will push interest rates up again, thereby endangering the recovery's durability....

Over all, the USN&WR Economic Unit calculates that total federal financing, which includes government-guaranteed and other subsidized borrowing not done by the Treasury, will account for about 55 percent of all funds raised in the credit markets in 1984-85. That is a huge increase from the federal credit demand that averaged 25.4 percent during the 1970s and 16.7 percent in the decade of the 1960s.

High deficits and high interest rates also have created what many regard as an excessively strong dollar on foreign money markets that is having negative effects on the world economy. Since 1980, the dollar has risen 81 percent against the French franc, 54 percent against the British pound, and 41 percent against the West German mark. That strength in effect raises the price of American goods in world markets, making it harder for American companies to sell abroad and easier for foreign firms to sell their products here.

Accordingly, U.S. merchandise exports have fallen more than 14 percent from 1981, to about 200 billion last year. This trend is expected to swell the U.S. trade deficit, already a record 69.4 billion dollars in 1983, to close to 100 billion dollars this year.... Nor are foreign governments happy with the dollar's strength. It hurts their recoveries by luring needed investment capital from their borders.

The annual deficits estimated for the future may possibly be too conservative; they assume a fairly robust economy generating considerable cash flow into federal coffers. What if the rosy prospects don't materialize? This report from the February 8 LOS ANGELES TIMES shows what could actually be in store:

The Congressional Budget Office, saying U.S. economic health may hang in the balance, warned Tuesday that the annual federal deficit could reach \$326 billion in 1989--nearly double the current record level--if Congress leaves today's spending and tax policies unchanged and the economy performs moderately well for the rest of the decade.

But weak economic growth--a real danger in the face of such a flood of red ink--could force the 1989 deficit to \$390 billion, budget office Director Rudolph G. Penner told the House Budget Committee. And, even if the economy grows more vigorously than it has since the early 1960s, he said, the deficit would remain at the current level of about 180 billion....

The budget office estimated that the deficit this year would reach about \$190 billion, \$6 billion more than the Administration's current estimate. Then, it said, the deficit would grow every year until, in 1989, spending reached more than \$1.3 trillion and revenue exceeded \$1 trillion. That much tax revenue would be barely enough to pay for the projected cost of Social Security, Medicare, defense and interest payments. Everything else would have to be financed by borrowing....

At the House Banking Committee, meanwhile, Federal Reserve Board Chairman Paul A. Volcker urged Congress to take an immediate "big bite"--perhaps \$50 billion--out of the fiscal 1985 deficit.... Volcker warned that deficits are a "clear and present danger" because they threaten to drive up interest rates and the value of the dollar, thus hurting U.S. exporters and forcing the nation to rely on an inflow of foreign capital to finance the deficit.

But why these monumental deficits, year after year? Looking at the chart which accompanied the above-quoted WALL STREET JOURNAL article, it was obvious that the string of red-ink years began toward the end of the administration of Lyndon B. Johnson (1964-1968). Mr. Johnson not only stepped up the costly war in Southeast Asia, he also inaugurated his "Great Society" social programs. These programs have ballooned since his day, now totaling, in fiscal 1985, \$393 billion (as opposed to \$272 billion for defense). Moreover, they have a built-in momentum to them; they are referred to generally as entitlement programs. They are mandated by law. Spending on them can only be changed by changing their legal status in Congress. And in an election year, who in Congress is going to cut these spending programs? Since so much (estimated at upwards of 75%) of these programs are entitled, any president is left with very few areas of the budget to slice, without a battle with Congress.

Even so, the critics who claim that President Reagan is a merciless scrooge should look at his "everyman's budget" for fiscal 1985. Nearly every major category is up, not down. Here is an editorial from the February 2 WALL STREET JOURNAL.

One measure of President Reagan's fiscal 1985 budget as a political document can be seen from the applause it is winning from his fellow Republicans. No niggardly budget is this. Republican politicians facing the voters this fall will be able to point with delight to the spending favors it offers to almost every segment of American society.

It calls for federal spending to rise 7% more at a time of low inflation. Proposed outlays for education are up, not down as the president's defederalization plans once threatened. Agriculture will get more. Science research will get a generous 15% boost. Medical care will climb 15%, pressing against the magic 100 billion level. Pensioners will have a 4.3% cost-of-living raise next January. Soldiers, sailors et al. are promised a 5.5% pay raise. Defense procurement, the political business end of the defense budget in that it creates jobs and earnings, will soar 20% to \$77.6 billion....

So far, the Reagan years have been years of growing government. When he was elected in 1980, government outlays amounted to 22.4%

of GNP, and rose steadily to 24.7% for fiscal 1984 and predicts 23.8% for fiscal 1985--still above the Carter years....

Some of us are beginning to wonder how many more everyman budgets we can stand.

In a stinging editorial commentary in the same issue of the JOURNAL, former Treasury Secretary William E. Simon excoriates the people's elected officials in Congress for the financial crisis the country is heading into. He likens the actions of Congress to the string of what he calls "Grade Z" movies in which the destroyed Frankenstein monster always seems to be revived to terrorize again in the next film sequel:

What brings all this to mind was the return of Congress to the scene of its relentless destruction of tomorrow's prosperity, a destruction interrupted only by occasional recesses in which the perpetrators return home either to lie about their exploits or to blame the coming calamities on someone else.

The damage wrought by this hydraheaded aggregation of pusillanimity, irresponsibility, venality and ignorance staggers the imagination. Congress has utterly defeated the president's efforts to put the brakes on federal spending, defeated them so conclusively that no less a person than David Stockman, director of the Office of Management and Budget, now admits that anyone hoping for any additional budget cuts is a "dreamer."

Less than two years ago, Congress promised the president that it would produce or allow budget cuts three times the size of proposed tax increases. So the president put his name to a five-year, \$228-billion tax bill. That was supposed to reduce the fiscal 1983 deficit to \$115 billion. Well, what happened? Federal revenues dipped in the face of the higher taxes, Congress welshed on its part of the deal and the fiscal 1983 deficit turned out to be \$195 billion. And now we are being told to expect deficits of that magnitude indefinitely into the future, as if the American economy can sustain such a spending spree without collapse or evolution....

Listen to what some of the more candid members of Congress say about their own performances. Take Rep. Dan Rostenkowski (D., Ill.): "We have put special interests on notice that we can be pushed around. We have confessed to an already doubting nation that we are ruled by political fear, rather than economic courage." He ought to know. He's chairman of the House Ways and Means Committee.

Or listen to Rep. James Jones (D., Okla.): "The leadership, starting with the president, avoided all the tough problems and basically took the political safe approach." Rep. Jones is chairman of the House Budget Committee.

Lest anyone think I am citing only Democrats, here's an offering from Sen. Rudy Boschwitz (R., Minn.). Why won't Congress get serious about the deficit? a constituent asks him on the campaign trail. Sen. Boschwitz draws a deep breath. "Lack of political courage," he candidly replies....

Not long ago, I was invited once again to testify before a congressional committee on "the problem of the deficit." Now I ask you: Do the hypocritical, pandering, gutless wonders in Congress intend to do anything after taking more testimony, from me or anybody else? Of course not. This is yet another absurd ritual to give the illusion of motion, while Congress goes right on squandering the national substance, inviting resurgent inflation, ducking the tough questions, receiving awards from every special-interest group that ever wheedled a subsidy or tax break in return for a campaign contribution, and, of course, railing about "the problem of the deficit" at every campaign stop from East Overshoe to Hog Heaven.

As one editorial writer recently put it, "How can Congress show its face in Washington again? One would need the vocabulary of Shakespeare to adequately describe this craven, abject, lily-livered body of lap dogs, these lickspittles, these toadies, these footmen." In my opinion, he lets 'em off easy.

Mr. Simon has never been known for mincing words. On page 99 of his book, A TIME FOR TRUTH (published in 1978), Mr. Simon said:

In political reality men running for Congressional reelection do not choose to eliminate or reduce existing programs. Typically they keep making promises in exchange for votes and keep piling new programs on top of old ones. What is actually "uncontrollable" are the promises of politicians, who perceive votes as absolute and the budget as infinitely flexible.

Democracy, as a form of human government, is about to undo the God-given riches of America.

--Gene H. Hogberg, News Bureau