Covenant, Dispensational and New Covenant Theology Compared
Lesson 1

Grand Overview
Lesson 1 ~ Comparing Covenant Theology, Dispensational Theology and New Covenant Theology
Lesson 2 ~ The Impact the New Covenant had on the Sinai Covenant (Making it Old and Obsolete)
Lesson 3 ~ The New Covenant Fulfills the Promises of the Abrahamic Covenant, making the Church the True Israel
Lesson 4 ~ Israel in Prophecy: Since the Church is the True Israel, What Are God’s Plans for Physical Israel?
Lesson 5 ~ Why Did Abraham Live Like a Stranger in Paradise? Abraham lived in the Promised Land in Tents because he was looking for something greater, a heavenly county.
Lesson 6 ~ What physical circumcision teaches us about whether or not the Promised Land Still Belongs to Israel.


PPT: Key Point: Ultimately, the New Testament is new in contrast with the Old Testament. This raises a host of questions:

PPT: Example: Suppose on January 1 I said, “Happy New Year!”, What would I mean? Would I really mean that the New Year is just a different administration of the previous year? No . . . yet that is exactly how some understand the New Testament, as merely a different administration of the Old Testament. It’s not really new at all in the normal sense of the word.

Relevance: Differing views of exactly how new the New Testament is explains why:

PPTS:
Some Christians baptize infants and others do not.
Some believers observe Sunday as a Sabbath day while others do not.
Some churches teach tithing but others do not.
Some denominations have priests and others not
Some have altars and call their meeting places sanctuaries.
There is no separation of church and state in many European countries.
The European church thought it had the authority to physically punish heretics.
The Prosperity Gospel preachers think their teachings are biblical.

PPT: What’s so new about the New Testament? (Rhetorical). Answering this question will us answer other questions as well:

PPTS:
What is the relationship between the New Testament and the Old Testament?
What is the difference between the Law of Moses and the Law of Christ?
Are New Testament believers obligated to keep the Law of Moses?

What is the difference between the church and Israel?

What role does geo-political Israel play in the fulfillment of prophecy?

PPT: What’s so new about the New Testament? (Rhetorical). Three different ways of answering this question are:

PPTS: CT, DT, NCT

Perspective: Every Christian holds more or less to one of these three views. Recognizing each will help you understand where someone coming from when you speak with him or hear a sermon or read a book.

PPTS: Covenant Theology (CT) ~ Embodied in the famous Westminster Confession of 1646; held to by the Presbyterian Church, the Anglican Church. Vigorously taught by such luminaries as John Calvin, Jonathan Edwards and more recently men like RC Sproul.

PPTS: Dispensational Theology (DT) ~ Embodied in Scofield Reference Bible and the Ryrie Study Bible. It was developed in the mid-1800s by John Nelson Darby of Plymouth Brethren fame. It is taught today by Dallas Theological Seminary and the Moody Bible Institute. Left Behind, Late Great Planet Earth.


PPT: Today’s Lesson: In today’s session we will explain and compare each of these three views.

Overall Series: In this series, we will seek to explain New Covenant Theology’s approach to handling Scripture and dealing with these age old issues. How a person answers this question has profound ramifications.

The Three Views Contrasted

PPT: The differences in the tree views can be illustrated by comparing Israel and the Church. In The Early Church, Henry Chadwick wrote:

PPT: "The central questions of the apostolic age turned on the continuity or discontinuity of the church with Israel."

PPT: Is it: The church and Israel — or — The church is Israel?

CT cannot get Israel and the church apart; they are inseparable. Believers within OT Israel were the church and the church is now spiritual Israel. God only has one people: the church.
DT cannot get Israel and the church **together** in any sense whatsoever. Believers within OT Israel were **not** the church and the church is **not** spiritual Israel. God has two separate peoples: Israel and the church.

**NCT** is in between CT & DT, taking the best elements from each.

**NCT:** Agrees with DT that believers within OT Israel were **not** the church. NCT agrees with CT that the church **is** spiritual Israel and that God only has one people: The church.

**PPTs:** **Railroad Analogy:** (note: † = Jesus’ 1st coming; 2nd = 2nd coming).

**CT**

| Only and ever one set of tracks; the church and Israel are one, on the same set of tracks (continuity). Old Testament Israel pulls into the station of the 1st coming, and the church leaves the station on same set of tracks. OT Israel was the church and the church is the true Israel. |

**DT**

| OT Israel comes into the station of the first coming on one set of tracks, but leaving the station are two parallel sets of tracks (God has 2 peoples: Israel and the church). After Jesus returns, it is back to one set of tracks, Israel, during millennium. The church is a parenthesis between the first and second comings of Jesus. Israel is not the church and the church is not Israel. |

**NCT**

| One set of tracks (Israel) into the station of Jesus’ first coming, but leaving the station is a completely different set of tracks: the church. There is never a return to an ethnic Israeli set of tracks. Old Testament Israel was not the church, but the church is the true Israel. |

**PPT: Covenant Theology**

**Fact:** **Covenant theology** is not named for on **any** of the **biblical** covenants. **What is it named for?**

**PPT:** Rather, it is based on **theological** covenants

**PPT:** This **theological covenant** is said to be **implicit** in Scripture.

**PPT:** It is to be distinguished from the **biblical** covenants (which are **explicit**).

**What is the difference between implicit and explicit?**

**Implicit** means not directly expressed, not readily apparent (theological covenants).

**Explicit** means fully and clearly expressed; leaving nothing implied (the biblical covenants).

**PPT:** The bedrock theological covenant is called the **covenant of redemption.** It was supposedly made within the Trinity in eternity past. It concerns God’s decision to redeem the elect.
PPT: Flowing out of this theologically constructed covenant of redemption are supposedly two other theological covenants, both beginning with Adam. What are they?

PPT: 1) The covenant of works (“do not eat”)

PPT: ESV Genesis 2:16-17 And the LORD God commanded the man, saying, "You may surely eat of every tree of the garden, 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."

PPT: 2) The covenant of grace (the promise of the “seed” of the woman who will crush the serpent).

PPT: ESV Genesis 3:14-15 The LORD God said to the serpent, "Because you have done this, cursed are you above all livestock and above all beasts of the field; on your belly you shall go, and dust you shall eat all the days of your life. I will put enmity between you and the woman, and between your offspring and her offspring; he shall bruise your head, and you shall bruise his heel."

PPTS: Biblical Covenants: When CT gets around to dealing with the explicit biblical covenants. CT says there are not really two different covenants, but merely two administrations of the one theological covenant of grace:
   1) the old covenant
   2) the new covenant.

In other words, there is the old administration of the covenant of grace and the new administration of the covenant of grace.

PPT: Insight: CT constructs theological covenants based on implications from Scripture. Offensively stated, it makes covenants out of thin air, by fiat, out of nothing. Then, when Scripture does explicitly call something a covenant, it downplays these as actual covenants and instead calls them mere administrations of their made-up theological covenant. The effect of this approach is to level the playing field, to blur the distinctions between the old and new covenant and between Israel and the church.

PPT: The Westminster Confession of 1646: “There are not, therefore, two covenants of grace differing in substance, but one and the same under various dispensations” (Chapter 7, sec. 6).

PPT: Thus it is thought that there is continuity between the Law of Moses and the Law of Christ.

PPTS: The key to CT thinking is continuity, continuity, continuity.

PPT: Cone Example: Imagine a tower of stacked orange construction cones. The bottom cone would represent the theological covenant of grace, and the other cones stacked above it would represent the various biblical covenants. Each grows out of the other.
PPTS: CT Applications: CT theology is characterized by Hebrew thinking:
• Because the biblical covenants are seen as each building on the other (all are outgrowths of the one covenant of grace), believers are expected to keep parts of the Law of Moses. Going back in time, many CT teachers assume that the 10 commandments given to Moses in the old covenant were also given to Adam in the Garden (!), and going forward in time are still binding on new covenant believers today. The Law of Moses is said to 1) show unbelievers’ their sin and it is 2) to show believers how to be sanctified.
• Because Moses required a Saturday Sabbath, so now we are to keep a Sunday Sabbath.
• Because Moses required tithing to the temple, so now we are to tithe to the church.
• Because Moses required infants to be circumcised into the family of Israel, so now we are to baptize infants into the church
• Because Moses required God and government to be one, mixed together, a theocracy, so now there should be no separation of church and state. Thus, in European churches there historically has been no separation of the two. This continues on today in many European countries. The United States was the first government in history to make this separation (in part due to Baptist influence).

Perspective: In CT, the Hebrew Scriptures are given priority and color the interpretation of the New Testament. In CT, OT Israel was the church and the NT church is now the true Israel.

PPT: Dispensation Theology

A soap dispenser dispenses soap. What does it mean to dispense (verb) something? It means to deal out, to distribute, to administer. For instance, a pharmacy dispenses medicine. A synonym would be to allot or to dole out.

In theology, a dispensation refers to a method (or scheme) according to which God carries out his purposes towards men, and these dispensations vary over time and with different people. There are distinct dispensations.

KJV 2 Timothy 2:15 Study to shew thyself approved unto God, a workman that needeth not to be ashamed, rightly dividing the word of truth.

DT is a way of understanding the Bible, especially concerning the church and Israel.

PPT: DT Example: Image a series of separated orange highway construction cones. DT divides the Bible into various dispensations (or compartments), roughly based on the various biblical covenants (plus some extra divisions thrown in for good measure!). That which characterizes DT is discontinuity between the OT and the NT, between the Israel and the church.

PPT: DT holds that the church and Israel and two separate entities, and never the twain shall meet. Further, they say that God has two covenant peoples: Israel is His earthly people and the church is His heavenly people. OT Israel was not the church and the NT church is not Israel.

Israel = earthly blessings   church = heavenly blessings
Most dispensationalists believe that God is going to fulfill His promises to national Israel through the restoration of geopolitical Israel, and that Christ will rule the world from Jerusalem upon His return (during a time called the millennium). Israel will have the center stage.

**PPT: Quote:** "A dispensationalist keeps Israel and the church distinct . . . This is probably the most basic theological test of whether or not a person is a dispensationalist . . . the one who fails to distinguish Israel and the church consistently will inevitably not hold to dispensational distinctions . . ." (Charles Ryrie, *Dispensationalism*, p. 39).

**PPT: Quote:** "A Dispensationalist . . . when he is stripped down to his most innermost garment, is found clad with one item of clothing . . . the premise that God continues his relationship with Israel in terms of the old covenant into the Christian age and beyond" (Kevin Hartley in "Dispensationalism Defined").

**PPT:** DT is very pro-Israel (poster).

**Perspective:** Both CT & NCT agree with DT that God still has a plan for ethnic Jews, but that the plan is for their conversion and incorporation into the one true people of God: the church.

**PPTS:** The teachings of DT contain **unique end times beliefs**, driven by their view of Israel. All dispensationalists hold to **premillennialism** and most hold to the **pretribulation rapture**.

**What is premillennialism?** Pre means before; millennium refers to a literal thousand year reign of Jesus on the earth, from Jerusalem. Premillennialism is the belief that Jesus will come back before the millennium and that during this time all the OT promises to Israel will be literally fulfilled.

**What is the pretribulation rapture?** It is the belief that the church will be raptured out of the world prior to the start of a seven year period of tribulation, culminating in the second coming of Jesus. During this time God will work toward the salvation of Israel. This expressed in such books as *Left Behind* and *The Late Great Planet Earth*.

**PPTS:** A **trade mark of DT is literalism; they read the Bible literally. This is typically called:**

1) **Historical-Grammatical Interpretation.**

The alternatives to this interpretive method are to interpret the Bible:

2.) **Literarily** (naturally). It is to interpret the Bible according to type of literature it is. The Protestant Reformers and thus CT took this approach, as does NCT.

3.) **Allegorically** (the Bible has mystical, hidden meanings). Catholicism took this approach. **Note:** this is fine if that was the biblical author’s intent.

**Literal Example:** In Matthew 24 Jesus predicted the literal destruction of Jerusalem. He also said the sun will darken, the moon will turn red, the stars will fall from the sky, the mountains will shake, and the sea will come out of its bed. A literal interpretation holds that all those things will literally happen. If it has not literally happened, then that prophecy is yet to be fulfilled. Thus, Matthew 24 is taken to have a yet future fulfillment.
**Literary Example**: Interpreting the Bible as literature, Jesus’ prophecies in Matthew 24 are compared to older prophetic literature that concerned the destruction of other ancient cities (such as Babylon, Nineveh, Tyre, Samaria). Whereas the judgment coming upon Jerusalem was literal, the sun, moon and ocean statements are understood as hyperbole, exaggerations, to make an effect, a point, that things were going to be really bad. It is prophetic shop talk, not to be taken literally, but literality. There is literal meaning behind the hyperbole. Matthew 24 is taken to have been fulfilled in A.D. 70. It is fulfilled prophecy.

The literary (natural) method says each text should be interpreted according to its own genre, and according to the intent of the author (history, poetry, prophecy, or epistle).

**Allegorical Example (Contrived)**: The prophecy, while it may have initially related to Jerusalem, is allegorical. Jerusalem might represent the church. The Sun could represent the Pope. The stars may stand for the cardinals. The coming judgment perhaps is church discipline as the church casts out heretics such as Martin Luther and the Reformers. (Note: this is a totally made up example, not an actual example of an allegorical interpretation). This is reading into the Bible something that is totally foreign to the text and the original intent of the author.

**PPT: New Covenant Theology**

**PPT: What’s so new about the New Testament?** One answer to this question can be found in something called New Covenant Theology. In this new series, going forward we will concentrate on NCT.

**PPT: What is NCT?** It is so named because of its emphasis on the New Covenant rather than the Old Covenant. NCT derives its name from the biblical “New” Covenant. It is so named because NCT strongly emphasizes the New Covenant (as opposed to the Old) and the Law of Christ (as opposed to the Law of Moses). The New Testament is given interpretive priority.

**PPT: ESV Revelation 21:5** . . . he who was seated on the throne said, “Behold, I am making all things new.” Also he said, “Write this down, for these words are trustworthy and true.”

**PPTS: Christ’s inauguration of the New Covenant brings in things that are qualitatively “newer,” expressed in the theological significance of such basic biblical concepts as: new wine (Mt 9:17), new wineskin (Mt 9:17), new covenant (Lk 22:20), new commandment (Jn 13:34), new life (Ro 7:6), new creation (2Co 5:17), new way (Heb 10:20), new man (Ep 2:15), new name (Re 2:17), new song (Re 5:9), new Jerusalem (Re 3:12) and all things new (Re 21:5).

**PPTS: What is NCT?** It is:
- A Way of interpreting the Bible
- Emphasis on NT over OT
- NCT says our starting point for ethics should be Jesus, not Moses.
- NCT says that believers are under the law of Christ, not the Law of Moses.
• NCT says that the way Jesus and the apostles interpreted the OT should be normative for the way we interpret the OT (allow the NT to interpret the OT).
• NCT says the Bible should be read not simply literally, but more importantly, literarily.
• NCT says the OT is type and shadow, the NT is fulfillment and reality.
• NCT says that the Israel of the OT was not the church, but only a type of the church.
• NCT says the church started at Pentecost and did not exist in the OT.
• NCT says that the Israel of the OT was not the church, but only a type of the church.
• NCT says that God only has one people (the church), not two (the church & Israel).
• NCT says that the church today is the true Israel.

PPT: What’s so new about the New Testament?

ESV John 1:17 For the law was given through Moses; grace and truth came through Jesus Christ.

New means New: Whereas in CT, the two biblical covenants (Old and New) are merely two administrations of the same theological covenant of grace (resulting in continuity), under NCT the word “new” in new covenant signifies a break, or discontinuity. NCT holds that different names indicate different covenants, different parties, different terms, different purposes. In this sense it is similar to dispensational theology.

NCT says that when God changed the covenant (from old to new), he also changed the people (from Israel to the church, from ethic Hebrews to spiritual Hebrews).

PPT: How does NCT affect church practice?

PPTS:
• Tithing
• Priests
• Sanctuaries
• Infant baptism
• Keeping the Lord’s Day as a Sabbath day
• The separation of church and state
• The believer’s obligation to the Law of Moses
• The proper use of the Ten Commandments today
• The church’s attitude toward modern geopolitical Israel

PPT: Perspective: Should we interpret the NT according to the OT, or the OT according to the New? Which should have priority? NCT sees the New Testament as the apex of God’s revelation, as terminal station, and allows the NT to interpret the OT (not visa versa).

PPT: Which is the higher revelation of the character of God, the Ten Commandments or the person, work and teaching of Jesus Christ? CT effectively acts as if the Ten Commandments are higher. Both DT & NCT shout that Jesus is! NCT starts with Jesus, not Moses, with the Law of Christ, not the Law of Moses.

PPTS: CT says that the church has existed since Adam and that believing OT Israel was the church. The Church is the true spiritual Israel. The two are inseparable. There is covenantal continuity and redemptive continuity.
PPTS: DT says OT Israel was not the Church and that the church is not the true Israel. The two are separate. Covenantal discontinuity and redemptive discontinuity

PPTS: NCT says that the church began with Jesus’ death on the cross and that Israel and the church existed sequentially. First came Israel then came the church. Covenantal Discontinuity but Redemptive Continuity

Middle Ground: Whereas NCT is like DT in saying that the old covenant is totally different from the new, NCT is more like CT in saying that the promises to Israel are ultimately fulfilled in the church and that God does not have two people (Israel and the church), but only one people (the church). And, unlike DT, NCT does not take the bible simply literally, it also takes it literarily.

PPT: Summary: What’s so new about the New Testament? The issues:

Is there continuity or discontinuity between the Old Covenant and the New Testament?

Are Israel and the church the same?

What impact did the start of the new covenant have on the old covenant?

Is the new covenant believer under the law of Moses?

Conclusion: Every Christian holds more or less to one of these three views. Recognizing each will help you understand where people are coming from when you speak with them or hear a sermon or read a book.

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02/29/13