The debt being carried by state and municipal governments in the United States generates a risk massive financial problems for the U.S. economy, according to one widely published banking analyst. Meredith Whitney manages her own advisory firm, and is a frequent contributor to CNBC, Fox Business, and Bloomberg News programs.

The state and local governments have been getting by on the billions of dollars handed out by the federal stimulus programs, but the debt is making investors on Wall Street nervous about another big bailout.

"It has tentacles as wide as anything I’ve seen. I think next to housing this is the single most important issue in the United States, and certainly the largest threat to the U.S. economy,’ Whitney said.

Whitney added that people are not paying attention to the state of the local governments, “Cause they don’t pay attention until they have to.”

“There’s not a doubt in my mind that you will see a spate of municipal bond defaults,” Whitney predicted, which could include 50 to 100 defaults adding up to hundreds of billions worth of damage to the financial system (Meredith Whitney: State Economic Crisis Is being Ignored; Crisis on the Way,” http://www.streetinsider.com, Dec. 20, 2010).

In a rebuttal, a spokesperson for the National League of Cities wrote:

“The municipal bond market remains strong for a variety of reasons: Local and State debt levels are low; borrowing is longer-term and predictable; local and state governments have balanced budget requirements; rules require preemptive steps to prevent defaults.

“Sky-is-falling reports about the municipal bond market are a distraction from a much more common and economically significant story about cuts in other arenas – cuts in services that impact the quality of life in communities; job losses in the public sector; cuts in pension and health care benefits for employees and retirees as local and state governments seek to rein in liabilities” (“Crying Wolf On Muni Defaults: 60 Minutes And Wall Street Analyst Miss The Real Story,” press release from PR Newswire quoted on www.thestreet.com, Dec. 22, 2010).
**Inspired commentary**

There is no doubt that money, representing security can be a major motivating factor in the behavior of individuals and groups. Some future crisis will ignite a call for a Sunday law to try to win God’s favor:

> Those who honor the Bible Sabbath will be denounced as enemies of law and order, as breaking down the moral restraints of society, causing anarchy and corruption, and calling down the judgments of God upon the earth. Ministers who deny the obligation of the divine law will present from the pulpit the duty of yielding obedience to the civil authorities as ordained of God. In legislative halls and courts of justice, commandment keepers will be misrepresented and condemned (*The Great Controversy*, p. 592).

**The Pope on the Big Bang Theory**

VATICAN CITY (Reuters) – God’s mind was behind complex scientific theories such as the Big Bang, and Christians should reject the idea that the universe came into being by accident, Pope Benedict said on Thursday.

“The universe is not the result of chance, as some would want to make us believe,” Benedict said on the day Christians mark the Epiphany, the day the Bible says the three kings reached the site where Jesus was born by following a star.

“Contemplating it (the universe) we are invited to read something profound into it: the wisdom of the creator, the inexhaustible creativity of God,” he said in a sermon to some 10,000 people in St Peter's Basilica on the feast day (*God was behind Big Bang, universe no accident: Pope,* http://news.yahoo.com, Jan. 6, 2011).

The Reuters writer explained:

The Catholic Church no longer teaches creationism -- the belief that God created the world in six days as described in the Bible -- and says that the account in the book of Genesis is an allegory for the way God created the world.

But it objects to using evolution to back an atheist philosophy that denies God’s existence or any divine role in creation. It also objects to using Genesis as a scientific text (ibid.).

**Inspired commentary**

Did the writer of the Bible book Genesis think that what he was writing was allegory? Is the most direct understanding of the Bible account now to be stripped of literal interpretation?

To many, scientific research has become a curse. God has permitted a flood of light to be poured upon the world in discoveries in science and art; but even the greatest minds, if not guided by the Word of God in their research, become bewildered in their attempts to investigate the relations of science and revelation.
God is the foundation of everything. All true science is in harmony with His works; all true education leads to obedience to His government. Science opens new wonders to our view; she soars high, and explores new depths; but she brings nothing from her research that conflicts with divine revelation (The Faith I Live By, p. 321).

Pope to Hold Peace Summit

The Pope is planning for another meeting at Assisi:

VATICAN CITY, Jan 1 (Reuters) - Pope Benedict, worried over increasing inter-religious violence, will host a summit of world religious leaders in Assisi in October to discuss how they can better promote peace, he announced on Saturday. ...

He made the announcement hours after a bomb killed at least 17 people in a church in Egypt in the latest attack on Christians in the Middle East and Africa.

The Assisi meeting will take place on the 25th anniversary of a similar encounter hosted by the late Pope John Paul in 1986 in the birthplace of St Francis.

That meeting was attended by Muslim and Jewish leaders and heads of many other religions, including the Dalai Lama, the spiritual leader of Tibetan Buddhists, and the Archbishop of Canterbury (“Pope to hold peace summit with religious heads,” http://af.reuters.com, Jan. 1, 2011).

Inspired commentary

Attempts to unite the world religions for peace have not produced peace. Satanic power and selfish human power are united to foster war.

For yourselves know perfectly that the day of the Lord so cometh as a thief in the night. For when they shall say, Peace and safety; then sudden destruction cometh upon them, as travail upon a woman with child; and they shall not escape.

But ye, brethren, are not in darkness, that that day should overtake you as a thief. Ye are all the children of light, and the children of the day: we are not of the night, nor of darkness.

Therefore let us not sleep, as do others; but let us watch and be sober (1 Thessalonians 5:2-6).