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When the apostle Paul encouraged young believers about the benefits of salvation, he reminded them that “sin shall not have dominion over you, for you are not under law but under grace” (Rom. 6:14). Ever mindful of his audience and surroundings, Paul was teaching a foundational doctrine, as if to deliberately move from one idea (law) to another. Grace!

Throughout the ages Christians have discussed what Paul meant, articulating various views on the proper distinction between Law, Gospel, and Grace. These ideas have blossomed into entire theological systems that attempt to harmonize teachings of the Bible. Consider these examples:

“The classic theme of all truly evangelical theology is the relationship of Law and Gospel,” Walter Kaiser says, calling this distinction “one of the best ways to test both the greatness and the effectiveness of a truly Biblical or evangelical theology.”¹

Puritan theologian Jonathan Edwards summarizes the importance of the issue by saying, “There is perhaps no part of divinity attended with so much intricacy, and wherein orthodox divines do so much differ as stating the precise agreement and difference between the two dispensations of Moses and Christ.”²

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According to Lutheran theologian C. F. W. Walther, “Rightly distinguishing between the Law and the Gospel is the most difficult and the highest art of Christians in general and theologians in particular. It is taught only by the Holy Spirit in the school of experience.” Walther then quotes Luther as saying, “Place any person who is well versed in this art of dividing the Law from the Gospel at the head and call him a Doctor of Holy Writ.”

Sharp readers will notice an irony at play. Theologians seem to agree this topic is of vital importance, but they do not agree on the solution! How one defines the relationship of Law and Grace becomes a crucial turning point for developing a systematic approach to theology. Depending on how one articulates this relationship, several different theological paths could be taken. In fact, when I discuss characteristics of my own theology with my students, I often tell them that understanding the distinction between Law and Grace is the key to understanding my theology. Is this an overstatement? Perhaps one illustration will show why I believe it is so important.

Mixing Law and Gospel for Salvation

Imagine that a visitor to your church approaches a church leader, asking how to become a Christian. How would you respond if your church leader answered by making demands, claiming the visitor must obey a complex moral code to earn the benefits of Christ’s death and resurrection? What if you discovered your church was teaching something like the following doctrinal statement?

The New Law is the grace of the Holy Spirit received by faith in Christ, operating through charity. It finds expression above all in the Lord’s Sermon on the Mount and uses the sacraments to communicate grace to us. The Law of the gospel fulfills and surpasses

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4. Ibid., 20. The quote is evidently from a 1532 sermon on Galatians 3:23 and 24; see Martin Luther, D. Martin Luthers Werke, Kritische Gesamtausgabe (Weimar: Verlag Hermann Böhlau Nachfolger) 36:8–79, 697.
the Old Law and brings it to perfection: its promises, through the Beatitudes of the Kingdom of heaven, its commandments, by reforming the heart, the root of human acts.5

To a casual observer, the statement seems to be affirming the importance of the Sermon on the Mount, the Beatitudes, and Biblical commandments. Who wouldn’t be in favor of these? But as you wade through the formal language of this catechism, you begin to understand the church is teaching that one must obey the “law of the gospel” (the promises, Beatitudes, commandments) as a requirement for salvation.

The correct view, in my estimation, is just the opposite: The law of God does not save, nor can it save. Its purpose is to show us our sinfulness. In Romans 3:20 we read, “Therefore by the deeds of the law no flesh will be justified in His sight, for by the law is the knowledge of sin.”

This problem of mixing Law and Gospel in salvation was of great concern to Reformation-era theologians, with Edward Fisher making a major contribution to the discussion by publishing The Marrow of Modern Divinity. Writing to define the essential part (marrow) of Christian theology, Fisher addressed “The Difference between the Law and the Gospel.” I will discuss his helpful treatise at greater length in chapter 2, “Roman Catholic Theology.”

For now I will paraphrase Fisher’s reasons for writing on this difference. First, he says if we are ignorant of the difference between Law and Gospel, we might mix and mingle them, producing great confusion. Second, if we know how to distinguish them, we will be enabled to understand the true meaning of the Bible and to harmonize passages that seem contradictory. Third, Fisher says if we can distinguish between Law and Gospel in Scripture, we will be able to quiet people’s consciences—including our own.

There is much to commend about this twofold distinction, especially in teaching that the law makes demands while the gospel does not make any demands. In other words, the law says do, while the gospel says done.

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This distinction is very important, because a Roman Catholic understanding of Law and Gospel tends to blur the distinction between the two categories. In Catholic theology the gospel becomes a new law where God, through the sacraments, enables a person to believe and obey His commands. It teaches that the death and resurrection of Christ are important to the gospel, but so is one's grace-enabled obedience to God's commands.

But this is dangerously wrong. For people to know with certainty that their sins are forgiven, they must realize that God saves them, not because of their good works, but because they are trusting in Jesus Christ, Who died for them and rose again. To accomplish this goal, God's law must be consistently distinguished from the gospel.

Fisher's book might have sunk into obscurity if it were not for Thomas Boston, a Scottish pastor who reprinted it in 1718. The local ministers who advocated Fisher's book became known as Marrow Men, leading to a pamphlet war (today it would have been blogs!) followed by an open rift among Scottish Presbyterians. Eventually the Church of Scotland's General Assembly prohibited ministers from using or recommending the book, accusing Fisher of promoting antinomianism. Their accusation against Fisher was a serious charge, one that has echoes today. The term was first coined by Martin Luther, who used it to criticize Christians for believing they are under no obligation to follow any form of moral law. Fisher did not deserve the antinomian label (and neither did the other Reformed theologians), but they were often tagged with this accusation by those who were teaching salvation as a mix of Law and Gospel.

I hope our study will help believers learn to interpret Bible passages correctly, gaining skill as they learn to evaluate theological ideas. In the example I just gave, the believer who makes a proper distinction between Law and Gospel will have a wonderful opportunity to witness, showing how the Law reveals our sin, and showing how Christ's finished work on the cross is the "good news" that provides salvation.
Mixing Law and Gospel for Holy Living

Many readers will be familiar with this twofold distinction of Law and Gospel, common categories in a theological discussion that is two thousand years old. But I did not title my book *Law and Gospel*, though this would have been consistent with a long tradition!

I believe significant problems surface if we make only two distinctions. If the categories of Law and Gospel are the only ones recognized, how does one describe the believer’s obligation to live a life of obedience to God? After all, we have already recognized that God’s law makes demands, while the gospel does not. Then how should we explain why the New Testament makes demands of believers today? If these demands cannot rightly be called Gospel, then what are they?

Once people become true believers in Christ, some theological systems solve this dilemma by placing the believers back under God’s law, not in order to save them but in order to guide them in living a holy life. One such example is the Westminster Confession of Faith:

> 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 informing them of the will of God, and their duty, it directs and binds them to walk accordingly. 

By describing the law as a “rule of life,” the Westminster Confession places Christians back under the law, a formulation still quite common in evangelical circles. Reformed theology does this eagerly, believing that the law predates sin and expresses the perfect will of God. Lutheran theology places the believer under law reluctantly, but defends this practice because believers are still sinners who need to be restrained. Again, if one is only using two categories of Law and Gospel, such descriptions seem at least plausible.

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In chapter 3, “Reformed Theology,” I will carefully examine the Reformed position and point out its weaknesses. Since both the Reformed and Lutheran views place believers back under the law for sanctification, no separate chapter on Lutheran theology is given. However, in the exposition of Romans in chapter 5, I devote a special section to the Lutheran position.

Readers will notice that much of my analysis of these theological positions is based directly on official church documents, catechisms, and creeds, my attempt to honestly evaluate the primary sources. The importance of primary sources can be illustrated by The Marrow of Modern Divinity controversy. A careful reading of Fisher’s work shows he was not the antinomian he was accused of being—the charges were an inaccurate summary of his teachings. In fact, Thomas Boston defended Fisher’s position by adding extensive explanatory notes to the 1726 reprint, showing how Marrow could be harmonized with Calvinism.

I mention this as a lesson about our own responsibility as teachers and learners. When evaluating various theological positions, we should take great care to do so with charity, accurately representing the views we study. Part of my own life has been devoted to studying at educational institutions that articulate viewpoints different from my own. I have done this so I can understand various theological systems as they are taught and articulated by their own advocates. No matter what position may be held by those who read this book, I pray that those who embrace these various systems will at least agree I have summarized their views correctly.

**Discovering Grace as a Rule of Life**

Dispensational theology teaches that believers today are not under the law, either as a way of salvation or as a rule of life. While this idea must be explained in a comprehensive manner, I believe it is quite Biblical. Therefore, as a dispensationalist, it seems better to me that there should be three categories: Law, Gospel, and Grace. The value of having these distinct categories is that it preserves the distinct function of each term: Law to make demands upon sinners, showing unbelievers that they are sinners and cannot save themselves; Gospel to offer salvation to all who
place their trust in Christ’s death and resurrection for them apart from any demands or works; and Grace as a rule of life for believers. This traditional dispensational viewpoint will be explained in chapter 4. Readers will soon learn that these words can be used many different ways, so for clarity I will use a capital letter for Law, Gospel, and Grace when referring to their use as theological categories—broad, overarching ideas.

Correctly understood, the Biblical concepts of Law, Gospel, and Grace are not merely historical periods that can be arranged on a timeline, with one stopping where another starts. Nor is it just a matter of making an Old Testament vs. New Testament distinction, for law, gospel, and grace can be found throughout the Bible. Perhaps this was not clearly taught by all dispensationalists. As Charles Ryrie noted, some dispensationalists left readers with the impression that “grace ended when the law was given at Sinai,” and the well-known dispensational charts gave “a picture of grace ending with the beginning of the law.”

Rather than using a timeline, I have tried to illustrate these three categories in the following diagram:

**Distinguishing Law, Grace, and Gospel**

<table>
<thead>
<tr>
<th>LAW</th>
<th>GRACE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LAW</strong> makes demands, shows us our guilt before God, and causes us to be afraid of God.</td>
<td><strong>GOSPEL</strong> does not make demands but refers to Christ’s death and resurrection and resultant benefits.</td>
</tr>
<tr>
<td><strong>GRACE</strong> as a rule of life makes demands, may cause us to fear the consequences of our disobedience, and produces sorrow for failure. Generally, grace motivates believers to obey by love.</td>
<td></td>
</tr>
</tbody>
</table>

This diagram can be explained with the following six grace principles for distinguishing Law, Grace, and Gospel:

**Grace Principle #1:** *God never intended the law to be a means of salvation.* All true believers recognize this principle (Rom. 3:20a). Their hope of eternal life is not based upon their ability to keep God’s law or to do good works. The primary purpose of the law is to show people that they are sinners (Rom. 3:20b; 7:7–11).

**Grace Principle #2:** *When the Bible is interpreted, Law and Gospel must be carefully and consistently distinguished.* When used as condemnation, Law can be found in both the Old and New Testaments and, as such, produces feelings of guilt toward and terror of God by its demands (Rom. 3:19; 4:15). Gospel, as God’s free promise of forgiveness in Christ, can also be found in both the Old and New Testaments and, as such, never makes demands but offers assurance, comfort, and hope (Rom. 5:8–10). In the chapter examining the impact of distinguishing Law and Grace on other issues, we discuss this truth: *Our salvation, from start to finish, is based upon God’s promise and not upon our performance.* God’s promise is centered on Christ’s death and resurrection as the basis upon which all the benefits of salvation are made available to us. In Hebrews 10:1–18, a contrast is made between the benefits of salvation an Old Testament believer enjoyed with the benefits enjoyed by believers today. The basic difference is that year-by-year Old Testament sacrifices brought covering for past and present sins, while the once-for-all sacrifice of Christ brings removal of all our sins—past, present, and future. God’s promise to believers since Christ’s death and resurrection is that He remembers our sins no more. This promise becomes foundational to our security, the purpose of God’s chastening, and the nature of the Judgment Seat of Christ (see principles 3, 5, and 6).

**Grace Principle #3:** *Grace, as a rule of life, guides believers today and makes demands upon them.* Gospel, as a concept, is one small part of the larger category of Grace. As a rule of life, Grace guides believers today and, as such, makes demands upon them. Believers today should be viewed as free from the law as a condemnatory rule of life and, thus, as eternally secure in Christ (Rom. 6:14–16; 7:4–6; 1 Cor. 6:9–20). In this sense, believers
today are not under law but under grace. Grace may cause believers to fear the consequences of disobedience and to feel sorrow for failure; but generally, grace motivates believers to obedience by love (1 John 4:17–19). These issues are developed in detail by presenting what the Bible teaches on distinguishing Law and Grace (chapter 5) and in presenting the impact this teaching has upon other issues (chapter 6).

**Grace Principle #4:** Spirit-controlled believers are motivated to fulfill the righteous standard of the law (Rom. 8:1–4), not as an obligation inspired by terror of God (1 John 4:17–19), but as an opportunity for obedient children prompted by respectful reverence (1 Pet. 1:14–19). While I am going to say that believers today are not under the law as a guide to Christian living (a view that distinguishes itself from the traditional Reformed and Lutheran view), I am also going to teach that grace as a guide for Christian living does indeed make demands upon believers today. In Romans 8:4, these demands are described as “the righteous requirement of the law.”

If this book is to present a balanced and Biblical answer to the question, “Are believers today under God’s law in any sense?” the answer must be carefully nuanced. All of the following must be taken into consideration. **First,** the primary purpose of the law is to show sinners that they really are sinners and guilty before God. When we are discussing how people can have their sins forgiven, God’s law must be used only to convince them that they are sinners. The law must not be used in any sense as part of the way forgiveness is obtained. **Second,** believers are not under the law as a guide for Christian living. Romans 6:14 is very clear. In speaking of the role of God’s law in Christian living, it says, “For sin shall not have dominion over you, for you are not under law but under grace.” **Third,** while believers today are not under law as a guide for Christian living, they are under grace. This means grace does make demands upon believers. **Fourth,** these grace principles for Christian living may properly be described as “the righteous requirement of the law.” So in Romans 13:8, Paul can instruct the believers in Rome, “Owe no one anything except to love one another, for he who loves another has fulfilled the law.” It is in this sense that God’s law does have a relationship to believers today.
Grace Principle #5: God’s chastening is training for future obedience and an expression of His love, not punishment for present disobedience or as an expression of God’s wrath (Heb. 12:1–15). If it is true—and I believe it is—that all sins of believers have been removed by the shed blood of Christ and that God remembers them no more, then believers today cannot be punished for their sins. Christ bore all the punishment for our sins when He died for us. When God chastens believers, such discipline is motivated by His love (Heb. 12:6). It is intended to produce holiness in us (Heb. 12:10, 11).

Grace Principle #6: The Judgment Seat of Christ is an awards ceremony where crowns or Olympic gold medals will be presented, not a courtroom where believers will be punished or rewarded (2 Tim 4:6–8). Among Bible-believing Christians, there is a difference in understanding the nature of the Judgment Seat of Christ. Some view it as a courtroom in which believers are either rewarded or punished; but the idea of believers being punished for their sins fails to distinguish Law and Grace and thus what the Bible means when it teaches that believers are not under the law but under grace. Second Timothy 4:7 and 8 support the athletic awards ceremony analogy. Living a godly life and serving Christ are presented under the imagery of boxing (“I have fought the good fight”) and running (“I have finished the race”). The crown of righteousness is bestowed by the Lord, the righteous Judge. This is not the judge in a courtroom, but rather the judge presiding over athletic contests and their resultant awards.

These principles for distinguishing Law and Grace are explained at greater length in chapter 5, where I give a detailed interpretation of various passages in the Bible, particularly in Paul’s epistle to the Romans. The interpretation of these passages will clarify and confirm our understanding of what the words “law,” “gospel,” and “grace” mean and how they are related to each other.

The Bible exposition is the most important part of what I am presenting. It seems strange that many textbooks about systematic theology do not really use the Bible in any substantial way! This is true even of texts written by authors who embrace the authority and inerrancy of God’s
Word. These volumes may cite proof texts, but there is no sustained reflection on the Biblical text with respect to word studies and contextual explanation. Giving Bible references is a poor substitute for a careful examination of one or two passages that clearly teach the doctrine under consideration. The solution is to develop a theology that is truly exegetical. For this reason, I am using a bit of extra space in the book to quote passages of Scripture and explain their context, believing this to be a crucial part of the discussion. I would encourage readers to spend time thinking deeply about these texts.

But exegesis alone is not enough to build sound theology. Too often our theological studies result in pride and arrogance, because we emphasize the intellectual exercise without allowing the truth in our minds to direct the way we live our lives. The solution is to infuse our theological ideas with a devotional emphasis. By establishing the importance of grace in the life of the believer, I want to avoid its potential misuse. No, Christians are not free to live any way they desire, without any interference from God (the problem of antinomianism that some accused Edward Fisher of advocating). At several points in this book, readers will be warned against this belief.

The words to a wonderful gospel song by Philip P. Bliss illustrate the blessings of Christ’s atoning death:

*Free from the law, O happy condition,*
*Jesus has bled and there is remission,*
*Cursed by the law and bruised by the fall,*
*Grace hath redeemed us once for all.*

Sadly, too many believers behave as if the song says, “Free from the law, O happy condition. Now I can sin with Jesus’ permission!” This is not the impression I wish to convey.

Instead, my prayer is that readers will grow in obedience by studying these grace principles for Christian living. Good theology should be practical, leading directly to devotional applications for all who study carefully. The final two chapters of this book are devoted to some of these practical issues related to distinguishing Law, Gospel, and Grace. This
includes a clear understanding of what it means to be saved, a focused presentation of the reasons why God still has a future program for Israel, why we are not sabbath keepers, and why we believe that God does not expect believers today to speak in tongues. The final chapters also include a discussion of grace as it relates to our stewardship responsibility, our acceptance of divine chastening, and our anticipation of the Judgment Seat of Christ.

These examples are intended to illustrate how readers can use this theological study in a practical way. Many other applications could be made. Pastors and teachers will draw important lessons from a better understanding of the relationship between Law, Gospel, and Grace. For instance, many of us have probably heard sermons from Matthew 4:19, where Christ recruited His disciples with, “Follow Me, and I will make you fishers of men.” But too often a preacher will use this passage to motivate believers by guilt, chiding believers who are not laboring hard enough in personal evangelism. Handled carelessly, the passage becomes a condemnation: Why aren’t you a better fisher of men?

Often the believer leaves such sermons feeling like Edward Fisher did, “terrified with the burden of their sins . . . outweighed and thrown down into utter discomfort, almost to the pit of hell.” But Fisher reassures believers that when they “read or hear any such place of Scripture which appertains to the law, let them, then, think and assure themselves that such places do not appertain or belong to them.”

The preacher or teacher who begins to understand Law, Gospel, and Grace will offer hope, not condemnation. Rightly preached, the call to discipleship will not motivate believers by sending them on guilt trips! Rather, the teacher who understands a proper distinction between Law and Grace will offer an exposition of the wonderful promises of God, a description of spiritual blessings that are missed by Christians who are not fulfilling their responsibility to share the gospel with others.

Building Theological Ideas

By this point the reader is already developing an understanding of why I call the distinction between Law and Grace the key to understanding my theology. Whatever way one answers this question, it will lead to forks in the theological road.

I recently noticed a trend among theology students, a tendency to cherry-pick various parts of a theological system, blending together ideas that are not wholly compatible. For instance, some students claim to be Reformed in their theological mind-set, by which they typically mean an emphasis on God’s sovereignty and sound Scriptural exegesis. But they do not embrace the whole system of Reformed theology, including its covenantal implications. Because they begin with an incomplete theological method, some students develop inconsistent, even incompatible, ideas. So there is an extent to which this book explores the forks in the road at the exact point where the forks begin, an exploration of the core values that motivate our belief system. Hopefully students will gain a better understanding of how doctrinal ideas connect together in a consistent pattern of belief.

The theologian’s task is difficult because doctrinal teaching in the Bible is not organized topically. Biblical passages are like pieces of a puzzle that are on a table but not yet put together. Normally one would use the picture on the box to help in the placement of various pieces. But imagine if the same set of puzzle pieces were to come with three different pictures (say, Catholic, Reformed, and dispensational), where each time you assemble the puzzle according to one of the photos, you end up with a few stray pieces at the end. There is a strong temptation among theologians to quietly put the stray pieces back in their pockets, in order to proclaim the puzzle finished!

Is any theological system perfect? No, none of us has yet arrived at full understanding. Sometimes theologians are guilty of painting their systems using broad strokes. As a result, some details do not fit well into our established categories. If you have a systematic theology where all of the details fit neatly, it’s probably because you took scissors to the parts that did not fit! May we all continue to grow in our understanding of God’s truth.
MY THEOLOGY is evangelical, a helpful characterization that could mean several things. When viewed historically, the term sometimes means Lutheran, as it still does in many European contexts. Two distinctive features of Lutheran theology also describe my theology as well, the law/gospel distinction and the emphasis on justification by grace alone through faith alone.

“Evangelical” can refer to one who believes in being “born again” through faith in Christ as the result of hearing the gospel preached. The term can also describe conservative Protestant theologians who affirm the verbal inspiration and inerrancy of Holy Scripture.

But there is another sense in which evangelical can mean “gospel-centered.” Several decades ago some theologians used this concept in a reductionist way, eliminating certain doctrines from discussion because they were judged to be unrelated to the gospel. A better approach is to see the ultimate goal of all Scripture as making one wise to salvation, which is through faith in Jesus Christ (2 Tim. 3:15–17). In this approach, every doctrinal view expressed in Holy Scripture is judged to be worthy of consideration, since the Holy Spirit, by causing it to be written in God’s Word, is relating it (however remotely in our estimation) to the gospel.

As a theological method, an authentic evangelical theology will examine and evaluate every doctrine in light of the gospel.

This has yet to be done!