

## Comparison: Covenant, Dispensational and New Covenant Theologies

### Lesson 1

#### Series Overview

**Lesson 1** ~ Compared: Covenant, Dispensational, and New Covenant Theology

**Lesson 2** ~ Obsolete: The Old Covenant by the New

**Lesson 3** ~ Not Rejected: All Israel Will be Saved

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**Introduction:** The Bible is divided into two big sections, Old Testament and New. In one we find Moses, and in the other, Jesus. We have the law of Moses, and also the law of Christ. The old focuses on the Jew, and the new on the Gentile. One is centered in Canaan, the other concerns the whole world. The Old is all about Israel, and the New is all about the church. In *The Early Church*, Henry Chadwick wrote: "The central questions of the apostolic age turned on the continuity or discontinuity of the church with Israel."<sup>1</sup>  
**Thus, is it: The church and Israel—or—The church is Israel?**

Inquiring minds want to know ...

*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?*

*How much of the Law of Moses are Christians obligated to keep? All? Some? None?*

*What is the difference between the church and Israel?*

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

**What difference does it make?** How a person answers these questions has profound ramifications, and explains why:

- Some Christians **baptize** babies and others only baptize believers.
- Some believers observe Sunday as a **Sabbath** day while others do not.
- Some churches require **tithing**, but others see it as a freedom issue.
- Some denominations have **priests**, and others not.
- Some have **altars**, and call their meeting places **sanctuaries**.
- There historically was no **separation** of church and state in Europe.
- The European church thought it had the authority to **physically punish heretics**.
- **Prosperity Gospel** preachers justify their "name it and claim it" teachings.
- Some Christians are so keenly interested prophecy today as it relates to **Israel**.

There are three different approaches to answering these questions. At one extreme is covenant theology (**CT**). At the other extreme is dispensational theology (**DT**). In between the two is new covenant theology (**NCT**). Today, we'll do an overview of all three. In this series, we will specifically study New Covenant Theology's way of handling Scriptures, and answering these age-old questions.

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<sup>1</sup> Henry Chadwick, *The Early Church* (London: Penguin Books, 1967). Chadwick was a Church of England theologian, scholar and historian.

**Perspective:**

- 1) Understanding each of these three views will help you understand where another believer is coming from when you speak with him, or hear a sermon, or read a book.
- 2) Trace elements of all three views can be found in the writings of early church leaders. However, none of the three views were systematized until after the Protestant Reformation of the 1500s.
- 3) None of the three views is heresy, but at least 2 of the 3 do represent some degree of error (false teaching).

**Covenant Theology (CT)**—Embodied in the *Westminster Confession* of 1646; drawn up in Westminster Abby in London by both English and Scottish theologians; held to most famously today by Presbyterians; vigorously taught by such luminaries as John Calvin, Jonathan Edwards, George Whitefield, and more recently men like RC Sproul. Some Baptist also believe in Covenant theology; this is reflected in the *Second London Baptist Confession* of 1689.

**Dispensational Theology (DT)**—Embodied in *Scofield Reference Bible* and the *Ryrie Study Bible*. It is reflected in the movie *Left Behind* (Tim LaHaye), and the book *Late Great Planet Earth* (Hal Lindsey). It was developed in the mid-1800s by John Nelson Darby of the Plymouth Brethren. It is taught today by Dallas Theological Seminary, Liberty University, and the Moody Bible Institute. If a church has “Bible Church” or “Bible Chapel” in its name, it is often dispensational.

**New Covenant Theology (NCT)**—Most commonly held to by Calvinistic Baptist churches. Many NCT theologians use the *1<sup>st</sup> London Baptist Confession* of 1644 as their statement of faith.<sup>2</sup> NCT is believed in its essence by John Piper, John Reisinger, DA Carson, and Douglas Moo. Several professors at the Southern Baptist Theological Seminary in Louisville also adhere to some form of it (such as Tom Wells, Fred Zaspel, Thomas Schriner). This series is about NCT.

**What Does It Matter, Anyway?** In today’s session we will explain and compare each of these three views. All this matters because we are to rightly handle the word of Truth (**2Ti 2:15**). Paul lamented people who had zeal for God, but not according to knowledge (**Ro 10:2**). Zeal without knowledge is an uncontrolled explosion; it takes both. One of the ways God has communicated to us is in writing (Scriptures). **How can you obey it if you don’t clearly understand what is required of you?**

ESV **Proverbs 1:32** ... the simple (naïve) are killed by their turning away, and the complacency of fools destroys them ...

ESV **Proverbs 22:3** The prudent sees danger and hides himself, but the simple go on and suffer for it.

**Application:** Don’t be a simpleton; don’t be naïve, when it comes to God’s Word.

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<sup>2</sup> Since nothing in the *1<sup>st</sup> London Baptist Confession* of 1644 contracts NCT.

## The Three Views Contrasted

**Central Question Review:** *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 and distinct peoples: Israel (His earthly people) and the church (His heavenly people).

**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:**

**CT** -----1<sup>st</sup> Coming Station ----- 2<sup>nd</sup> Coming Station (end of line)

There has only ever one set of train tracks; the church and Israel are one, on the same set of tracks (continuity). Old Testament Israel pulled into the station of the 1<sup>st</sup> coming of Jesus, and the church left the station on same set of tracks. OT Israel was the church and the church is the true Israel. This will continue on until the church pulls into the station of the 2<sup>nd</sup> coming of Jesus, at which time eternity will begin.

**DT** ----- 1<sup>st</sup> ===== 2<sup>nd</sup> -----

OT Israel came into the 1<sup>st</sup> coming station on one set of tracks, but leaving the station were two parallel sets of parallel tracks (one for Israel and one for the church). When Jesus returns (2<sup>nd</sup> coming station), there will again be one set of tracks—Israel. This time will be called the 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. DT is the only one of the views that is tied to a specific eschatology (an Israeli-centric millennium).

**NCT** ----- 1<sup>st</sup> ~~~~~ 2<sup>nd</sup> (terminal station)

One set of tracks (OT Israel) came into the station of Jesus' 1<sup>st</sup> coming, but leaving the station and going out into church history was a completely different set of tracks: the church. Israel was finished. There never will be a return to an ethnic Israelite set of tracks. Old Testament Israel was not the church, but the church is the true Israel. There will be no Israeli-centric millennium.

## Covenant Theology

### 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).

**Fact:** The Bible is full of covenants, yet covenant theology is not named for on *any* of the biblical covenants. **What is it named for?** Rather, it is based on a theological covenant called the “covenant of redemption” that was allegedly made in eternity past within the Trinity to save mankind. This *theological covenant* is said to be **implicit** in Scripture. It is to be distinguished from the biblical covenants (which are **explicit**).

**Implicit Theological Covenants:** Their bedrock theologically-constructed covenant is the *covenant of redemption*. Flowing out of this theologically-constructed covenant of redemption is supposedly another theological covenant, the “covenant of grace” (the promise of the “seed” of the woman who will crush the serpent):<sup>3</sup>

ESV **Genesis 3:14-15** The LORD God said to the serpent, "... 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."

**Explicit Biblical Covenants:** When CT deals with the explicit biblical covenants, it says there are not two different covenants (old & new), but merely two administrations of the one theologically-constructed covenant of grace (the old covenant administration of the covenant of grace, and the new covenant administration of the covenant of grace).

**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, CT downplays these as actual covenants and instead calls them mere administrations of their theologically-constructed covenant of grace. The effect of this approach is to level the playing field, blurring the distinctions between the old and new covenants, and between Israel and the church.

**The Westminster Confession of 1646:** “There are not ... two covenants of grace differing in substance, but one and the same under various dispensations.”<sup>4</sup>

Thus, it is thought that there is continuity between the Law of Moses and the Law of Christ, between Old Covenant and New Covenant. *The key to CT thinking is continuity, continuity, continuity.*

**Example:** Every January 1, people say, “Happy New Year!” In reality, time itself is continuous and marches on. Dividing it up into years is a man-made distinction. This is

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<sup>3</sup> CT also posits a covenant of works (“do not eat”): ESV Genesis 2:16-17 ... 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.

<sup>4</sup> Chapter 7, sec. 6.

how CT views the biblical covenants: merely as different administrations of the same underlying, on-going covenant of grace. Thus, the new covenant is not really new at all in the normal sense of the word.

**Cones Example:** Imagine a tower of four stacked orange construction cones. The bottom cone would represent the theological covenant of redemption, then next cone is the covenant grace, and the other cones stacked above it would represent the biblical old and new covenants. Each grows out of the other.

**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, they are still binding on new covenant believers today. The Law of Moses is said to show **1)** unbelievers' their sin and **2)** believers how to be sanctified.
- Because Moses required a Saturday **Sabbath**, we are to keep a Sunday Sabbath.
- Because Moses taught **tithing** to the temple, so now we are to tithe to the church.
- Because Moses required **circumcision** of infants, so now we are to **baptize** infants.
- Because Moses combined **God and government** into 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. The United States was the first government in history to make a separation (in part due to Baptist influence).

**Perspective:** In CT, the Hebrew Scriptures are given interpretive priority, and color the interpretation of the New Testament.

### Dispensation Theology

**There are places called dispensaries. Next to a sink you can often find a soap dispenser. What does it mean to dispense (verb) something?** It means to distribute, to administer. A pharmacy *dispenses* medicine. **Examples:** A soap "dispenser" *dispenses* soap, one distinct squirt at a time. 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 with different people. DT understands there to be seven distinct dispensations of God's grace in different eras. Their favorite verse could be:

**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.

Whereas CT tends to blur distinctions between biblical covenants, making them all into one, DT not only sharply separates the biblical covenants, but it adds divisions beyond the biblical covenants. Just as CT is so-named because of its emphasis on man-made, implicit, theological covenants (rather than biblical covenants), so too DT is so-named

because of its emphasis on their supposed seven dispensations (and not the biblical covenants).

**DT Example:** DT divides the Bible into various dispensations (like water-tight compartments on a ship), starting with the various biblical covenants (plus some extra divisions thrown in for good measure!). **Example:** Place two orange cones apart (for Old & New covenants), then add four to the left of the old covenant, and one to the right of the new covenant, to represent their added dispensations.<sup>5</sup> That which characterizes DT is discontinuity between the OT and the NT, and discontinuity between the Israel and the church.

**Israel & Church:** DT holds that Israel and the church are two separate entities; never the twain shall meet. OT Israel was not the church and the NT church is not Israel. Furthermore, they say that God now has two covenant peoples: Israel is His earthly people and the church is His heavenly people.

**Israel = earthly blessings      Church = heavenly blessings**

DT is very pro geopolitical Israel. DT holds to a special future dispensation for Israel. Most dispensationalists believe that God is going to fulfill His literal, old covenant 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.

**Charles Ryrie:** "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 ..."<sup>6</sup>

"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"<sup>7</sup>

Israel is so important to DT, that to disagree with them about it is in their minds to deny the Bible or to deny the Trinity.

**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.

The teachings of DT contain **unique end-time beliefs**, driven by their view of Israel. All dispensationalists hold to **premillennialism** and most hold to the **pretribulation rapture**.<sup>8</sup>

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<sup>6</sup> Charles Ryrie, *Dispensationalism*, 39.

<sup>7</sup> Kevin Hartley, "Dispensationalism Defined", monergism.com.



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Another trade mark of DT is literalism.

**1) Literally.** DT reads Bible prophecy literally. This is typically called **Historical-Grammatical Interpretation**. The alternative to this interpretive method is to interpret the Bible literarily:

**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.

**Literal Example:** In Matthew 24, Jesus predicted the literal destruction of Jerusalem. He also said the sun will darken, and stars will fall from the sky. A literal interpretation holds that all those things will literally happen. If everything has not literally happened, then that prophecy is yet to be fulfilled. Thus, even though Jerusalem was destroyed in A.D. 70, 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 and star 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).

## **New Covenant Theology**

**What does the word “new” mean?** Something that is new did not exist before. It is something made, introduced, or discovered for the first time.

**The Bible describes a “new” testament. What’s so new about the New Testament?**

One answer to this question can be found in something called New Covenant Theology. In this series going forward we will concentrate on NCT.

**What is NCT?** It is so named because of its emphasis on the New Covenant rather than the Old Covenant. It is a way of interpreting and applying the Bible, with focus on Law of Christ rather than the Law of Moses. The New Testament is given interpretive priority.

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<sup>8</sup> 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. The pretribulation rapture 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.

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."

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**).

### Characteristics of NCT:

- Emphasizes NT over OT.
- The starting point for ethics should be Jesus, not Moses.
- Believers are under the law of Christ, not the law of Moses.
- 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).
- The Bible should be read not simply literally, but more importantly, literarily.
- The Israel of the OT was not the church, but merely a type of the church. The church did not exist in the OT.
- The OT is type and shadow, the NT is fulfillment and reality.
- God only has one people (the church), not two (the church & Israel)
- The church today is the true, ultimate, spiritual Israel.

### What's so new about the New Testament?

ESV **John 1:17** ...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 ethnic Hebrews to spiritual Hebrews).

### NCT does not teach:

- Tithing
- Priests
- Sanctuaries
- Infant baptism
- Keeping the Lord's Day as a Sabbath day
- The merger of church and state (theonomy)
- The believer's obligation to the Law of Moses
- Modern geopolitical Israel as God's earthy people



**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).

**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.

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.

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

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.

## Conclusion

**Summary:** 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:** Whether he knows it or now, 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, hear a sermon, or read a book.

- Contact [NTRF.org](http://NTRF.org) for a link to the PPTs.
- You can hear this lesson being taught at [SermonAudio.com/NTRF](http://SermonAudio.com/NTRF).

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