

Faith Pulpit

Distinguishing Law, Gospel, and Grace

Precise interpretation is essential to a proper understanding of God's Word. An indispensable element in correctly interpreting God's Word is identifying and distinguishing passages as law, gospel, or grace. In this article Dr. Myron Houghton, senior professor of theology at Faith Baptist Theological Seminary, carefully guides us through a proper understanding of law, gospel, and grace and gives us a framework for correctly interpreting the Scripture. You will find additional information and help in this important area by reading Dr. Houghton's new book, *Law & Grace*, published by Regular Baptist Books.

"Now behold, one came and said to Him, 'Good Teacher, what good thing shall I do that I may have eternal life?' So He said to him, 'Why do you call Me good? No one is good but One, that is, God. But if you want to enter into life, keep the commandments'" (Matt. 19:16, 17).

If someone asked you how to obtain eternal life, what would your answer be? We know [1](#) that eternal life comes by believing in God's Son, as John 3:14–18 tells us, rather than by keeping the commandments. We know this is true because we were saved by believing in Christ, not by trying to keep God's commands. So how are we to understand the words of Christ to this person? This passage is one in which acquiring the skill of identifying and distinguishing law, gospel, and grace is crucial to its understanding.

What Are They?

Romans 3:20 teaches us two truths about God's law: (1) by the deeds of the law no flesh will be justified in God's sight, and (2) the law brings an awareness of sin. Law always refers to some demand by God which brings condemnation and death (cf. 2 Cor. 3:7–9). Now we understand that the words of our Lord about keeping the commandments and obtaining eternal life were actually an attempt to show the young man his sin and need of a Savior.

On the other hand, gospel does not make demands but rather refers to what God has done by sending His Son to die for our sins and to be raised from the dead (1 Cor. 15:1–4). The law says “do” while the gospel says “done.” Trusting in Christ is not a demand but a response to the gospel.

Grace, however, does make demands upon the believer in light of the gospel, but they are demands to obedience motivated primarily by love and gratitude (1 John 4:14–19). This understanding is why the Bible can describe today’s believers as under grace rather than under law (Rom. 6:14).

In summary, keeping these three distinctions in mind will help us properly understand the Bible.

- Law makes demands from God that bring condemnation and death.
- Gospel does not make demands but rather refers to what God has done by sending His Son for our sins.
- Grace makes demands of obedience prompted by love in light of the gospel.

Now let’s apply these concepts to three theological systems.

Law, Gospel, and Grace in Catholic Theology

Sometimes people say that Roman Catholicism denies salvation by grace and teaches salvation by works. But a careful look at the Catechism of the Catholic Church shows that this statement is not entirely true. For example, paragraph 2010 states,

Since the initiative belongs to God in the order of grace, no one can merit the initial grace of forgiveness and justification, at the beginning of conversion. Moved by the Holy Spirit and by charity, we can then merit for ourselves and for others the graces needed for our sanctification, for the increase of grace and charity, and for the attainment of eternal life.[2](#)

In paragraph 1996 we read, “Our justification comes from the grace of God. Grace is favor, the free and undeserved help that God gives us to respond to his call to become children of God, adoptive sons, partakers of the divine nature and of eternal life.”[2](#)

Therefore, in Catholic theology saving grace is a God-given help or ability. However, for Bible-believing Baptists, saving grace is not a God-given help or ability but rather refers to Christ’s death and resurrection for us. Thus, in Titus 2:11 the grace of God that brings salvation has appeared. It is an event: Christ’s coming to die for our sins. To say we are saved by grace is to say we are saved by Christ’s death and resurrection for us.

In paragraph 847 we read, “Those who, through no fault of their own, do not know the Gospel of Christ or his Church, but who nevertheless seek God with a sincere heart, and, moved by grace, try in

their actions to do his will as they know it through the dictates of their conscience—those too may achieve eternal salvation.”[3](#)

According to this paragraph, people who try in their actions to do God’s will as they know it through their conscience achieve eternal salvation. We might ask, “Is this not salvation by works?” But the informed Catholic responds, “Did you not see the qualifying words, ‘moved by grace’”? The phrase is there, but saving grace in Catholic theology does not necessarily exclude human good works. To Bible-believing Baptists, this concept is a mixing, yes, a confusion of law and gospel.

Law, Gospel, and Grace in Reformed Theology

Reformed theology does not confuse law and gospel. The law does not save or help to save. People are justified for Christ’s sake alone. When they rest upon Christ and His righteousness alone, their sins are pardoned and they are accounted as righteous.

Nevertheless, Reformed theology is confused about the primary use of the law. This system contends that law is not to show lost people their sinfulness, but rather it is to guide Christians, as chapter 19:5 of the Westminster Confession of Faith states,

The moral law doth forever bind all, as well justified persons as others, to the obedience thereof; and that, not only in regard of the matter contained in it, but also in respect of the authority of God the Creator, who gave it. Neither doth Christ, in the gospel, any way dissolve, but much strengthen this obligation.[4](#)

This understanding of law is in contradiction to what Paul said in Romans 3:20 and in Galatians 3:19 where he wrote, “What purpose then does the law serve? It was added because of transgressions, till the Seed should come.”

In Reformed theology the law is connected with a Covenant of Works that God made with Adam before the Fall. Chapter 7:1 and 2 of the Westminster Confession of Faith reads,

The distance between God and the creature is so great, that although reasonable creatures do owe obedience unto him as their Creator, yet they could never have any fruition of him as their blessedness and reward, but by some voluntary condescension on God’s part, which he hath been pleased to express by way of covenant. The first covenant made with man was a covenant of works, wherein life was promised to Adam; and in him to his posterity, upon condition of perfect and personal obedience.[4](#)

Chapter 19:1 of this Confession states, “This law, [the covenant of works] after his fall, continued to be a perfect rule of righteousness; and, as such, was delivered by God upon Mount Sinai, in ten commandments, and written in two tables: the first four commandments containing our duty towards God; and the other six, our duty to man.”[4](#)

Rather than seeing the law as given because of our sins, Reformed theology views the law as a perfect expression of God's will, and thus the primary purpose of God's law is to guide the believer. Bible-believing Baptists see here a confusion of the purpose of God's law.

Law, Gospel, and Grace in Dispensational Theology

Dispensational theology not only clearly distinguishes law from gospel, but it also distinguishes grace (guidelines for living the Christian life) from the gospel. The gospel refers to Christ's death and resurrection for our sins and does not make demands. Grace, as a rule of life, guides believers today and as such, makes demands upon them. However, believers today must be viewed as free from the law as a condemnatory rule of life and thus eternally secure in Christ (Rom. 6:14–16; 7:4–6; 1 Cor. 6:9–20).

Note Paul's response to the affirmation that the believer is not under law but under grace:

For sin shall not have dominion over you, for you are not under law but under grace. What then? Shall we sin because we are not under law but under grace? Certainly not! Do you not know that to whom you present yourselves slaves to obey, you are that one's slaves whom you obey, whether of sin to death, or of obedience to righteousness? (Rom. 6:14–16).

An Implication

Distinguishing law, gospel, and grace has wide implications in Bible study. One issue relates to the Judgment Seat of Christ. Note how Paul described this event in 2 Timothy 4:7 and 8, "I have fought the good fight, I have finished the race, I have kept the faith. Finally, there is laid up for me the crown of righteousness, which the Lord, the righteous Judge, will give to me on that Day, and not to me only but also to all who have loved His appearing."

Based on these verses, I believe the Judgment Seat of Christ is similar to an athletic awards ceremony.^{[5](#)} So, in one sense no punishment (no law) is in view here. All of our sins have been washed away in the blood of Christ (gospel). Nevertheless, those who have lived for Christ will be rewarded more than those who have been unfaithful (grace). And this reward, which is an evidence of grace, may be expressed in an increased capacity to reflect Christ's glory, a capacity observable throughout eternity.

J. Dwight Pentecost says:

In Revelation 4:10, where the elders are seen to be casting their crowns before the throne in an act of worship and adoration, it is made clear that the crowns will not be for the eternal glory of the recipient, but for the glory of the Giver. Since these crowns are not viewed as a permanent possession, the question of the nature of the rewards themselves arises. From the Scriptures it is learned that the believer was redeemed in order that he might bring glory to God (1 Cor. 6:20). This becomes his

eternal destiny. The act of placing the material sign of a reward at the feet of the One who sits on the throne (Rev. 4:10) is one act in that glorification. But the believer will not then have completed his destiny to glorify God. This will continue throughout eternity. Inasmuch as reward is associated with brightness and shining in many passages of Scripture (Dan. 12:3, Matt. 13:43; 1 Cor. 15:40–41, 49), it may be that the reward given to the believer is a capacity to manifest the glory of Christ throughout eternity. The greater the reward, the greater the bestowed capacity to bring glory to God. Thus in the exercise of the reward of the believer, it will be Christ and not the believer that is glorified by the reward. Capacities to radiate the glory will differ, but there will be no personal sense of lack in that each believer will be filled to the limit of his capacity to “show forth the praises of him who hath called you out of darkness into his marvelous light” (1 Pet. 2:9).⁶

In 2 Corinthians 4:17 Paul stated that the afflictions we experience here and now are light and momentary compared with the heavy weight of eternal glory. How we respond to our present circumstances will determine the extent to which we are able to radiate the brightness of Christ. May we be motivated to be faithful to Christ now so we may more elegantly display Christ’s glory throughout eternity.

Works Cited

1. Every believer has an anointing from the Holy One and instinctively “knows” all things as they relate to Jesus being the Christ and His promise to us of eternal life (1 John 2:20–27).
2. Catechism of the Catholic Church. <http://www.scborromeo.org/ccc/p3s1c3a2.htm>. Accessed August 8, 2011.
3. Catechism of the Catholic Church. <http://www.catholicdoors.com/catechis/cat0781.htm>. Accessed August 8, 2011.
4. Westminster Confession of Faith. <http://opc.org/wcf.html>. Accessed August 8, 2011.
5. I believe the Judgment Seat of Christ is similar to an athletic awards ceremony because (1) the Scripture uses two athletic metaphors in verse 7: a boxer and a runner; (2) “crown” in verse 8 is the Greek word referring to an olive branch twisted in a circle, adorned with flowers, and placed on the head of the Olympic winner, and (3) the Lord, as Judge in verse 8, distributes these awards.
6. J. Dwight Pentecost, *Things to Come* (Grand Rapids: Zondervan Publishing House, 1958), 225–226.

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Dr. Houghton was promoted to Heaven on July 13, 2020, leaving a legacy of service and faithfulness to the thousands of men and women who he impacted during his ministry.