Saved by Grace, Judged by Works:

A Category Error, Its Consequences & Cascading Effects

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At its core, this essay asks a simple question: Are we confusing how we enter covenant with how we live within it? It argues that this confusion—failing to grasp the relationship between salvation and judgment—has led to widespread misunderstandings about works and the role of God's Law.

Here, "salvation" refers to the gracious act by which one enters into covenant with God—an act grounded entirely in grace and not in human effort. "Judgment," refers to God's evaluation of how one has lived within the covenant—revealing the reality of that relationship rather than establishing it.

By recovering the biblical pattern in which grace establishes covenant relationship and obedience expresses covenant faithfulness, the perceived tension between faith and works begins to resolve. Building on this foundation, the essay contends that the common claim that the Law has been "done away with" is often rooted not in the text itself, but in a misreading of the Law's original purpose. Finally, it traces the broader theological implications of this category error, suggesting that such a misunderstanding produces a cascade of distortions affecting obedience, transformation, the unity of Scripture, and the nature of grace itself. Taken together, the argument seeks to present a more coherent reading of Scripture in which God's grace, His Law, and our faithful living are not in opposition, but in proper relationship.

Part I:
The Category Error

Imagine a man who adopts a child out of pure love. The child did not do—nor could she have done—anything to earn a place in that family. The adoption was entirely the decision of the father. But once the child is brought into the home, a new question emerges: *How will this child live as a member of the family?* Her behavior doesn't determine whether she belongs, but it does reveal how she responds to that belonging. In this context, no one would confuse these two concepts—belonging and response—but in matters of faith, we often do.

There is a distinction in Scripture that is frequently missed, and yet it sits at the heart of many theological misunderstandings—especially the debate around "works-based salvation." The Bible presents two closely related but fundamentally different realities: salvation and judgment.

This distinction is not imposed onto the text but emerges from it. Scripture consistently presents God as the one who saves first and then judges (or evaluates). Israel is redeemed from Egypt before Sinai (Exodus 20:2), and believers are saved by grace yet later judged according to their works (2 Corinthians 5:10).

The New Testament is clear that salvation is by grace through faith and not by works. As Paul writes in Ephesians 2:8–9, "For by grace you have been saved through faith… not a result of works." Likewise, Romans 3:28 insists that a person is justified by faith apart from works of the Law. This is not a new idea introduced in the New Testament but is rooted deeply in the pattern of the Hebrew Scriptures. In Exodus, Israel is redeemed from Egypt before receiving the Torah ("law" or "instruction") at Sinai. Importantly, this pattern is not merely relational but redemptive—Israel is not only brought into covenant, but delivered from bondage. Salvation, therefore, is not only about belonging, but about rescue. Redemption comes first; obligation follows. Grace establishes the relationship, and then instruction shapes how that relationship is lived out. Works, therefore, play no role in earning salvation.

At the same time, Scripture speaks just as clearly about judgment according to works. Quoting Psalm 62:12, Jesus teaches in Matthew's gospel that the Son of Man "will repay each person according to what he has done" (Matthew 16:27). Paul echoes this in 2 Corinthians 5:10, writing that "all must appear before the judgment seat of Christ, so that each one may be recompensed for his deeds in the body, according to what he has done, whether good or bad." Revelation 20:12 likewise describes the dead being "judged from the things which were written in the books, according to their deeds." These passages do not contradict salvation by grace; rather, they address a different question entirely—not how one enters the covenant, but how one lives within it.

This distinction also helps resolve the perceived tension between Paul and James. Paul is concerned

with how a person is justified—how they come into right relationship with God apart from works. James, on the other hand, is concerned with the nature of genuine faith within that relationship. "Even so faith, if it has no works, is dead, being by itself." (James 2:17). They are not opposing one another; they are addressing different errors. Paul guards against the idea that works can earn salvation, while James guards against the illusion that a faith devoid of transformation is real.

From a Hebraic perspective, this makes perfect sense. Identity comes before responsibility. God first declares, "You are My people," and then calls His people to live accordingly. As Rabbi Jonathan Sacks observed, faith in the biblical tradition is not merely about what one believes but about how one lives. This is why Jesus can say, "You will know them by their fruits" (Matthew 7:16). Works are not the root of salvation, but they are its fruit; not the cause of covenant inclusion, but the evidence of covenant faithfulness.

The confusion arises when these categories are blurred. If works appear anywhere in the conversation, many assume they must imply they are—or at least be part of—the basis of salvation. But this is a category error. Salvation answers the question, *How do I become God's?* Judgment answers the question, *How have I lived as God's?* Keeping those questions distinct from one another allows us to affirm both truths fully: that we are saved by grace alone, *and* that how we live our lives genuinely matters. In this sense, salvation in Scripture can be seen in three basic movements: deliverance (being brought out), formation (being shaped in covenant life), and inheritance (being brought into promise). While these should not be confused, neither should they be artificially separated.

In the end, the issue is not whether works earn salvation—they do not, never have, and never will—but whether salvation produces a transformed life. As the Master teaches, "Every tree is known by its own fruit" (Luke 6:44). Salvation is the gift that brings us into the Father's family; judgment is the evaluation of how we lived as members of that family. And that distinction, once seen clearly, resolves much of the tension that has long surrounded this conversation.

This distinction must not be misunderstood to imply that participation in covenant life is passive or optional. Scripture consistently portrays covenant faithfulness as the necessary expression of genuine belonging. The question is not whether obedience matters—it does—but how it relates to and is oriented in the pattern of salvation.

Part II:
The Consequences

As we saw in the Exodus pattern, redemption precedes instruction. Reverse that order—treating the Law as a means of earning redemption—and its purpose is immediately distorted. Yet this inversion often shapes how people think about God's Law.

The same confusion that collapses salvation and judgment also distorts the role of the Law, often expressed in the claim that the "old law is done away with." But this conclusion arises not from the text itself, but from a misreading of what the Law was given to do. If the Law is taken as a means of entering covenant, then it must be discarded once salvation is understood to be by grace. But if it was never given as a ladder into covenant, but as the way of life within it, then the conclusion falls apart.

This is why Jesus makes a strikingly clear statement in Matthew 5:17: "Do not think that I came to abolish the Law or the Prophets; I did not come to abolish but to fulfill." The Greek word *plēroō* (πληρόω), here translated as "fulfill", does not mean "to eliminate," but "to bring to fullness," "to fill up," or "to embody completely." In Hebraic thought, to "fulfill" the Torah is to live it out rightly—to interpret and embody its full potential.

This aligns with the broader biblical pattern. The Torah was never presented as a means of salvation. In Exodus, Israel is already redeemed before the Law is given. The commandments are not a prerequisite for relationship but the structure of life within that relationship. They define what it looks like to be a holy people in the presence of a holy God. More than this, they form Israel into a "kingdom of priests" (Exodus 19:6), a people whose way of life would display the character of God to the nations. The Law, therefore, is not merely behavioral instruction, but a missional calling—to embody a way of life that reveals what it means to live under the reign of the God of Abraham, Isaac, and Jacob.

Paul, often cited as the one who allegedly set aside the Law, actually reinforces this understanding when read carefully. In Romans 3:31, immediately after insisting on justification by faith apart from works, he asks, "Do we then nullify the Law through faith? May it never be! On the contrary, we establish the Law." The issue for Paul is not the Law itself, but the misuse of the Law as a means of justification. The Law cannot—nor was it ever intended to—impart life (Galatians 3:21). Its role is revelatory and formative—it reveals God's character and shapes the life of His people.

This is where the collapsed distinction becomes especially damaging. If one assumes the Law was about getting in, then grace must mean the Law is irrelevant. But if the Law was always about how to live as those already brought in, then grace does not eliminate the Law—it establishes its proper orientation. Grace does not free us *from* obedience; it frees us *for* obedience.

At this point, some may point to the book of Hebrews, which speaks of change within the covenantal

system—particularly regarding priesthood and sacrifice. Yet even here, the argument is not that God's instruction has been discarded, but that it has reached its intended goal. The sacrificial system is not abolished as meaningless, but fulfilled and transformed in the Messiah, who embodies both priest and offering. The locus of worship shifts—from temple to people (1 Corinthians 3:16), and from animal sacrifices to lives offered, as sacrifices, in obedience (Romans 12:1). The pattern remains, having been established concretely by the physical temple, and its expression is broadened and deepened.

James captures this beautifully when he speaks of the "perfect Law of liberty" (James 1:25). This is not a contradiction in terms but a profound insight. The Law, rightly understood, is not bondage—it is the shape of a free and redeemed life. It is what holiness looks like in practice.

From a Jewish perspective, this would not be controversial. Rabbi Sacks often emphasized that the giving of the Law was itself an act of love—an invitation into a way of life that reflects the character of God. The commandments are not arbitrary rules but a moral and spiritual vision for a covenant people. When viewed this way, the question is no longer whether the Law has been abolished, but whether it has been rightly understood.

This brings us back to Jesus, who not only affirmed the enduring significance of the Law but clarified its deepest intent. In Matthew 5, His repeated formula—"You have heard that it was said… but I say…"—is often misunderstood as a contrast between Himself and the Torah. But a closer reading shows that while some of His examples quote the Torah directly (such as "You shall not murder" or "You shall not commit adultery"), others reflect commonly taught rabbinic interpretations or cultural assumptions about the Law (as in "hate your enemy," which does not appear in the Torah at all). What Jesus is addressing, then, is not the inadequacy of the Law itself, but the way it had been understood and applied. He is not replacing Torah with a new ethic; He is authoritatively interpreting it—bringing it to its fullness. This is evident in how He consistently intensifies the commandments, moving from external compliance to internal transformation: anger is treated as the seed of murder, lust as the root of adultery, etc. Far from abolishing the Law, He reveals how searching and comprehensive it has always been. In doing so, He stands firmly within the Jewish interpretive tradition of His day, yet speaks with a unique authority—calling His listeners not beyond the Law, but deeper into its true meaning.

So the issue is not whether believers are "under the Law" as a system of earning righteousness—they are not—but whether the Law still reveals what a righteous life looks like. And here the answer of Scripture is unmistakably yes. The Law remains, not as a means of salvation, but as a guide to sanctification; not as a way to earn God's favor, but as the way to live in response to it.

In the end, the belief that the Law is dead or has been done away with is not the result of taking grace seriously, but of misunderstanding both grace *and* the Law. Grace brings us into covenant. The Law shows us how to walk in it. And when those categories are kept clear, what once seemed like a contradiction is revealed to be a coherent and beautiful whole.

Part III:
The Cascading Effects

If the distinction between salvation and judgment is collapsed, then a series of theological consequences unfolds—each one logically building upon the last. What begins as a subtle confusion does not remain contained; it grows into a chain reaction of conclusions that reshape the reading of Scripture, the understanding of grace, and the expectations of the Christian life. While such a development could proceed along multiple trajectories, the following sequence traces one coherent path through these implications.

STEP 1 If salvation is wrongly assumed to be connected to human works, then the Law—being composed of commandments—will naturally be interpreted as a system designed to earn righteousness before God. From this misdefinition, a further conclusion follows: if salvation is by grace, then the Law must be obsolete.

CRITIQUE: *This reasoning depends entirely on a false premise. In the biblical narrative, redemption precedes instruction. Israel is delivered from Egypt before receiving the Law, establishing that the Law was never the means of entering covenant, but the way of life given to those already within it. Grace does not replace the Law; it restores it to its proper role. This is why the Master states plainly, "Do not think that I have come to abolish the Law or the Prophets" (Matthew 5:17). The perceived abolition of the Law is not a biblical necessity, but the logical outcome of a prior misunderstanding.*

STEP 2 The second step follows naturally: if the Law is obsolete, then obedience to it is no longer central to the life of faith. Commands begin to be viewed with suspicion, as though they threaten the sufficiency of grace. Exhortations to holiness are softened, qualified, or redirected.

CRITIQUE: *This stands in tension with the consistent teaching of Jesus, who says, "If you love me, you will keep my commandments" (John 14:15). In Scripture, obedience is not opposed to grace; it is the expected response to it.*

STEP 3 From here, a third consequence emerges: if obedience is no longer central, then transformation becomes optional or secondary. Salvation is reduced to a moment of belief or decision, rather than the beginning of a life of ongoing conformity to God's character.

CRITIQUE: *The apostolic witness presents transformation as essential, not incidental. Paul writes that believers are "to be conformed to the image of His Son" (Romans 8:29), and*

James insists that faith without works is dead (James 2:17). When works are removed from their role as evidence, the concept of living faith itself becomes unstable.

STEP 4 The fourth step is an interpretive fragmentation. If the Law is viewed as obsolete, then large portions of Scripture—particularly the Hebrew Scriptures—are functionally sidelined. The Bible begins to read as two discontinuous systems: Law versus grace, old versus new, Israel versus the Church.

CRITIQUE: *Both Jesus and the apostles consistently affirm the authority and continuity of the Hebrew Scriptures. The fragmentation is not inherent to the text; it is introduced by the framework imposed upon it.*

STEP 5 This leads directly to a fifth consequence: the misreading of Paul the Apostle. If one assumes that the Law itself is the problem, Paul's arguments against justification by works of the Law are easily misinterpreted as arguments against the Law altogether.

CRITIQUE: *Paul explicitly denies this conclusion: "Do we then overthrow the Law by this faith? By no means! On the contrary, we uphold the Law" (Romans 3:31). The failure to maintain the initial distinction between salvation and judgment results in a systematic misreading of Paul's intent.*

STEP 6 From this misreading emerges a sixth consequence: a reduction of grace itself. Grace becomes defined almost exclusively as pardon—deliverance from guilt—rather than as power for transformation.

CRITIQUE: *Scripture presents grace as both. "For the grace of God has appeared, bringing salvation to all people, instructing us to deny ungodliness and worldly desires and to live sensibly, righteously, and in a godly manner in the present age" (Titus 2:11–12). Grace, in its fullness, does not eliminate the call to holiness; it enables it.*

STEP 7 Finally, the chain culminates in a diminished vision of holiness. If the Law is set aside, obedience is de-emphasized, and transformation is optional, then holiness loses its concrete expression. It becomes abstract, internalized, or reduced to a status alone.

CRITIQUE: *Scripture consistently calls for a holiness that is lived and embodied: "Be holy, for I am holy" (Leviticus 19:2; cf. 1 Peter 1:16). Without a clear understanding of the Law's role, the content of holiness itself becomes unclear.*

Each step in this progression follows logically from the one before it. A category error at the level of salvation and judgment leads to a misdefinition of the Law; that misdefinition leads to the perceived abolition of the Law; abolition leads to diminished obedience; diminished obedience leads to reduced transformation; reduced transformation leads to interpretive fragmentation; fragmentation leads to the misreading of Paul; misreading Paul leads to a diminished view of grace; and a diminished view of grace results in an unclear

vision of holiness.

Conversely, if the initial distinction is restored, the entire chain is reversed. The Law is no longer seen as a failed means of salvation, but as a faithful guide for covenant life. Obedience is no longer suspect, but essential. Transformation is no longer optional, but expected—and anticipated. Scripture is no longer fragmented, but unified. Paul's teachings are no longer in tension with the Master's teachings, but in harmony with them. Grace is no longer reduced, but expanded. And holiness is no longer abstract, but clearly defined.

While this progression does not lead every reader to the same conclusions, it does create a theological environment in which the authority of Scripture becomes increasingly negotiable. Once the Law is set aside as irrelevant, and obedience and holiness are no longer anchored in a clear, revealed standard, the interpretive center begins to shift. What was once derived from the text itself is now more easily shaped by external pressures—cultural, political, philosophical, experiential, etc. In such a framework, reinterpretations of Scripture are not only possible, but increasingly compelling, as the question subtly moves from the objective (*"What has God commanded?"*) to the subjective (*"What seems right or meaningful to us now?"*). This does not inevitably result in what is commonly called "progressive Christianity", but it does remove many of the theological constraints that would otherwise resist it. The issue, then, is not merely about one set of conclusions or another, but about whether the structure of interpretation itself remains grounded in the authority and coherence of Scripture. If this is where such a misunderstanding can lead, then the need for a more coherent reading of Scripture becomes all the more urgent.

Conclusion

In the end, the issue is not whether we believe in grace that saves through faith, but whether we understand what that salvation is for. If grace merely rescues but does not transform, then it is no longer the grace described in Scripture. And if, in the name of that grace, we discard what is often called the "old law," we do not liberate ourselves—we disorient ourselves. We rob ourselves of the very instruction God has given for what it means to live fully as human beings, as He intended. What remains is not freedom, but drift: a life left to navigate the vast sea of well-intentioned yet unstable, man-made structures—attempts to build something that was never meant to stand without divine guidance.

But Scripture presents a better way. The God who saves is also the God who instructs. He does not redeem a people only to leave them without direction, but brings them into covenant and teaches them how to walk in it. We are saved by grace alone—but we are not saved into ambiguity. We are saved into a life with shape, substance, and direction, revealed through His Torah. And that life, as promised, will be evaluated fairly and justly by our Master.

When the categories are restored, everything begins to cohere. Grace and works are no longer at odds. The Law is no longer a burden, but a gift. Faith is no longer abstract, but embodied. And holiness is no longer undefined, but lived.

The question, then, is not simply whether we have been saved, but whether we are willing to be formed by it.