Strategic use of tithe

How does the Seventh-day Adventist Church fare?

Robert K. McIver

Note: This is the final part of a two-part study covering the returning patterns, distribution, and use of tithe in the Seventh-day Adventist Church.

Few decisions the Adventist Church has made have had a larger impact on the growth of the Church than the decision to gather tithe in a central location. In some ways, when the decision was made, it was surprising. After all, almost all the Seventh-day Adventist pioneers were ex-Millerites, and had experienced bitter partings from their previous denominations. This left them with a profound suspicion of church organizations of any kind, and the early movement was advanced entirely by volunteers largely working on their own initiative. Yet by the mid-1850s it was clear that there were very practical reasons for church organization, not the least of which was the ownership of communal property and the support of full-time ministers.

The period 1858 to 1863 saw the adoption of "systematic benevolence" to support full-time ministers, the organization of conferences or groups of churches, and the organization of the General Conference. Under the influence of the plan of systematic benevolence, as tithing became more widespread, it was decided to have the Conference be the organizational entity to which tithe should be returned.

Centralizing tithe in this way, enabled it to be used strategically. Church administrators used the tithe to support evangelists in establishing new churches. What followed was a period of remarkable growth. The statistical report given on May 14, 1867, at the fifth annual session of the General Conference[1] showed that in that year there were 4,320 members worshiping in 160 churches (an average of 27 members each). They supported 28 ministers and 10 licentiates. $18,661.39 had been pledged in systematic benevolence. By 1900, the Church had grown to 66,547 members, worshiped in 1,892 churches and 437 companies, and supported 1500 ministers, licentiates, and missionaries by giving $510,258.97 in tithe.[2]

One stands in awe of the vision of the early pioneers. In 1868, when Church membership stood at 4,475, J. N. Loughborough and D. T. Bourdeau were sent to establish the church in California. In 1874 when the membership of the Church was less than 8,022, J. N. Andrews was sent as the first official missionary to Europe.[3] In 1885 (total membership: 20,547), four missionary families arrived in Australia.

These nineteenth-century Adventists had a worldwide vision. They understood that their purpose was to take the urgent news of the soon return of Jesus to every nation, kindred, tongue, and people. They used their resources in the way best suited to achieve this extraordinary goal. What began in the early 1860s as a small denomination in Michigan,[4] was by 1900, spread around the globe with established churches and companies in Europe, Australia, Africa, and South America. This growth and geographical expansion would not have been possible but for a centralized tithing system.

Disadvantages of centralizing tithe

The advantages of centralizing tithe are still evident today. It enables the Church to distribute its local ministers most effectively amongst the local churches, and to support missionaries and evangelists taking its message to those parts of the globe which have yet to hear it. Furthermore, it enables the Church to establish and run important institutions such as hospitals, schools, and universities. On the other hand, there are several negative consequences of the decision to centralize tithe.

The first consequence is that local churches are more vulnerable to being left relatively



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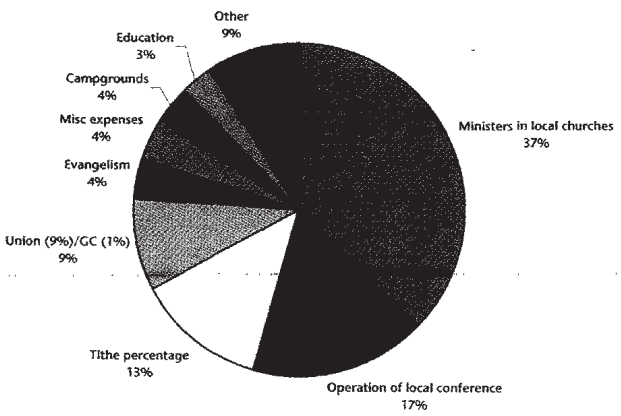
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underfunded. Seventh-day Adventists are generous givers. In the United States, for example, they rank third behind Mormons and the Assemblies of God in per capita giving.[5] Yet for most Adventists, the bulk of their giving is tithe, and this tithe is taken out of the local church for centralized distribution. A good part of it, of course, returns to the local church in the form of the wages used to support the local minister. In the case of smaller churches these wages are significantly more than the tithe contributed. Yet for most churches, of the total amount of money contributed, only a percentage stays in the church, and the local church is relatively underfunded. In a number of countries there is a growing dissatisfaction with this state of affairs. This may be one of the reasons why many members are choosing to direct their tithe into local offerings or other designated projects. The most visible consequence of this trend to keep more money in the local congregations has been that, compared to tithe, funds given for overseas missions have been steadily decreasing for the last 50 years.[6]

Figure 1 **NNSW Conference Expenditure in 2000**



Another negative consequence of centralizing tithe is that the process of decision making tends to meet the needs of administration and institutions before it meets the needs of local churches. After all, it is administrators and administrative committees that are making the final distribution. These committees are made up of those who know well the administrative and financial needs of the conferences, unions, divisions, and General Conference, and the institutions associated with each level. These needs are continuous and urgent. It is always easier to get local pastors to care for more than one church than to shut down an institution.

Two case studies follow that illustrate how tithe is currently used in the Seventh-day Adventist Church, with a view to asking the somewhat urgent question, "Is tithe still being used strategically in the Seventh-day Adventist Church?"

Case study 1: Australia

Presently, there are nine conferences in Australia. No two are exactly

alike in how they use their income, most of which is tithe. North New South Wales (NNSW) Conference might be used as an example of one of the larger relatively prosperous conferences. Figure 1 represents how this conference distributed its financial resources in the year 2000.[7]

The largest percentage of tithe went to support ministers in local churches (37 percent). The next largest amount was used in the local conference for administration and for the departmental staff of the Conference (20 percent). The 23 percent that went to the Union and Division was used for a variety of purposes: expatriate wages in the island Missions scattered across the South Pacific, support for the General Conference,[8] Avondale College and Pacific Adventist University, support of weaker conferences through tithe equalization, the Bible School attached to the Media Center, evangelism, ministerial interns, work among the Australian Aboriginals and Torres Straight Islanders, overseas study programs and subsidies for literature evangelists, etc.

Looking over this distribution of money gives a small glimpse into the complex organization that is the Seventh-day Adventist Church. It is encouraging to note that the funds are used for worthwhile purposes. Yet are these purposes the most effective way for the Church to use its financial resources to accomplish its mission? It has been estimated, for example, that for every 1.3 ministers and evangelists working in the field, there is one person in a support role. In a mature church such as Australia the most effective way yet found of increasing membership is either in church planting, or in strong leadership in a local church which is located in an area in which it might grow. Many of those chosen for corporate church support roles are the most talented pastors, and it is often not an optimal use of total resources to take them out of front-line ministry in the local churches. Australia has an urgent need to reduce church "overheads."

This has not been lost on Church administration, and several attempts have been made through the 1990s to reduce the number of ministers in support roles by combining several conferences. This makes considerable sense in the light of increased ease of travel and communication and the fact that several smaller conferences are only surviving because of the subsidies they receive from tithe equalization or from trusts.

The concept of "overhead" is a business concept. Nothing shows more clearly that the Church is not a business than the consistent rejection of these merger plans by the individual conferences. The one success that has been possible to administration in Australia is the elimination of one Union Conference, which was voted through in the year 2000.

Case study 2: Papua New Guinea Union Mission

There are few better examples of the strategic use of tithe than Papua New Guinea. The first real attempt by the Seventh-day Adventist Church to establish a work in Papua New Guinea was made in 1908. Yet it was 1924 before any real conversions were discernible.[9] In other words, the Papua New Guinea Mission was supported over a long period without many apparent results. Today, though, the remarkable fruits of this long-term strategic use of tithe funds can be seen. In 2000 the Papua New Guinea Mission reported 207,480 members, worshiping in 749 churches and 1,982 companies.

This growth has been accomplished with considerable human and financial cost and has not been without its problems, particularly in the area of the nurture of the new members. Nevertheless, in Papua New Guinea the Adventist style of administration and way of distributing financial resources is seen at its most effective. Such circumstances need strong missions to support the local ministers, who are often working with several dramatically growing churches, in an environment of rapid and often traumatic social change.

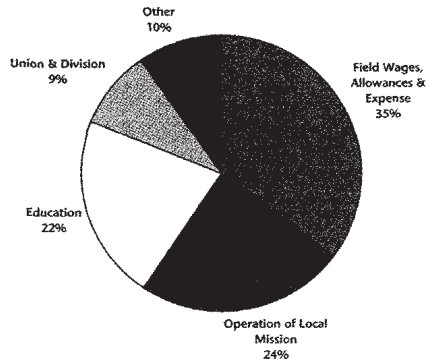
Opportunities and challenges

The two graphs in Figure 2 represent the use of funds in the Madang Manus Mission in Papua New Guinea, and the Potomac Conference in North America.[10]

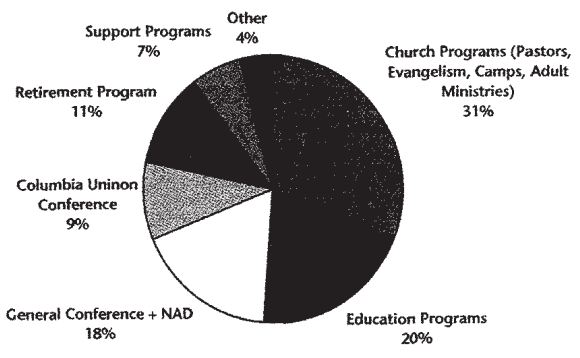
These might be compared to the graph of the use of funds by the NNSW Conference given earlier in this article. Each conference and mission of the world Church is different, and shows a different use of funds.

Figure 2

Madang Manus Mission Expenditure in 1998



Potomac Conference Budget 2001



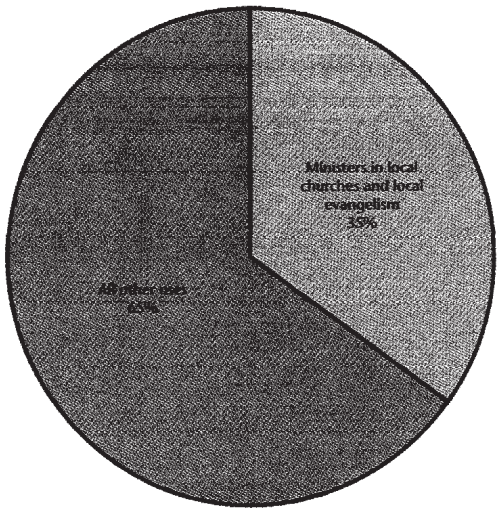
Figures 1 and 2 are from three widely different parts of the world Church, but they have one crucial feature in common: between 30 percent and 40 percent of Church funds only are used for supporting pastors and evangelists in the local churches.

What do these case studies mean?

The two case studies given above show that this observation may well have a different significance in different parts of the world Church. Some parts of the world field may need stronger conferences and missions than they have at present. Yet, for many of the world divisions, particularly in the more prosperous regions, there is a real need to shift a number of budgets from support roles to front-line roles.

Figure 3

Ministers in Local Churches/ All Other Uses



This matter is all the more urgent in the light of the financial pressure that the Church is experiencing as tithe receipts fall behind wages in many parts of the world Church. This was documented in Part I of this two-part study (see *Ministry,* August 2001). The net effect of this fall will be that the Church will not be able to employ as many people in the future as it does now. Here is the danger: budgets will be cut from field workers (e.g., pastors) and not from support workers (e.g., conference, union, division, and General Conference staffs).

A very strong contrast exists between the uses made of the Church's financial resources between the time of its first founding and today. Many of the changes have been for the good. In places where all of the resources of the Church are used for outreach, there is a serious need for the nurture of existing members, and it has been necessary to direct significant resources to fulfill this need. Even when it comes to evangelistic outreach, however, often the local pastor is expected to accomplish major feats of evangelistic success without the kinds of resources that would make such expectations realistic and successful.

Further, the Church has developed a number of very significant institutions which contribute, even if only indirectly, to its overall mission. Although this is questionable, it adds up to the fact that the Seventh-day Adventist Church is an impressive force for good in the world.

When one contemplates the fact that today most of the resources of the Church are used for the maintenance of existing institutions and local churches, it is clear that there is need for a serious re-evaluation of how the Church uses its resources. This will be a politically difficult process, but one that is essential to the future viability of the Church as it seeks to accomplish its mission.

The challenge facing the Church is to use its impressive financial and human resources in the most effective way to further its mission to take the good news of Jesus' soon return to every human being on the planet. ■

1 *Review and Herald,* Vol. 29, No. 24, 1867, 283.

2 The 1900 statistics may be found in the 1901 *General Conference Bulletin* of the 34th session, Vol. 4, No. 1, 1st Quarter, April 2, 1901, 161-164

3 The figures for 1874 are not available. The statistics given are those of 1875.

4 According to the 1867 statistical report, 1,308 (or 30 percent of the total of 4,320) members belonged to the Michigan Conference.

5 Dean Hoge, Patrick McNamara and Charles Zech, *Plain Talk about Churches and Money* (Bethesda, Md.: Alban Institute, 1997), 20.

6 See, for example, E. L. Becker, "Trends in Adventist Giving," *Adventist Review,* August 28, 1980, 4-7. He notes that while tithe has remained relatively stable since 1950, by 1980 there had been a dramatic shift from giving for missions to giving for local church needs.

7 All conferences report their budgets at their triennial sessions. For many years NNSW has followed the practice of publishing its annual budget in the *NNSW Conference News,* often in the form of a pie chart. For example, an abbreviated 2001 budget was reported to the conference in the *NNSW Conference News,* No. 198, May 2001, 9. Actual expenditure may vary from the announced budget. For example, while the conference usually uses about 37 percent of its income for supporting pastors in local churches, resignations and calls out of the conference meant that the number of pastors was lower than that anticipated in the budget for 2000.

8 In the past, 1 percent of the tithe from the South Pacific Division was forwarded to the General Conference. This is changing to 2 percent.

9 The first baptism occurred in 1914 and the next in 1920. Eleven were baptized in 1924. The start of the Seventh-day Adventist mission in Papua New Guinea is put in the context of the wider mission to the South Pacific in Robert Dixon, "The Pacific Islands," in Noel Clapham, ed, *Seventh-day Adventists in the South Pacific 1885-1985* (Warburton, Victoria: Signs, [1985]), 199-232; esp. 211-212, 227-232

10 The figures for the Madang Manus Mission are for 1998. The chart represents expenditure from that year. The conference sends 10 percent of tithe to the Union and 10 percent to the Division, but gets back 12 percent of this as appropriations. The mission ran a deficit in 1998. The chart for Potomac Conference is derived from information provided to delegates on the use of tithe in 2001 at the second quadrennial session held May 21, 2001.

Personal integrity

continued from page 4

this profound concept within the context of the spirit of God, one of His servants has made this observation: "Let it be written upon the conscience as with a pen of iron upon the rock, that real success, whether for this life or for the life to come, can be secured only by faithful adherence to the eternal principles of right."[6]

No matter our particular leadership responsibility, let us challenge ourselves to hold to the spirit of the standard of Samuel's integrity. Let our personal commitment to a life of integrity in Christ be evident to those around us every day. ■

1 Ellen G. White, *Testimonies for the Church,* vol. 5 (Nampa, Idaho: Pacific Press® Pub. Assn., 1889), 297.

2 James M. Kouzes and Barry Z. Posner, *Credibility: How Leaders Gain and Lose It, Why People Demand It* (San Francisco: Jossey-Bass, 1993), 14.

3 Taylor G. Bunch, "Integrity," in *The Ministry,* July 1959, 23.

4 R. R. Bietz, "A Life of Integrity," in *The Ministry,* June 1968, 48.

5 Commentary on Samuel, *The Leadership Bible* (Grand Rapids, Mich.: Zondervan, 1998), 319.

6 Ellen G. White, *Testimonies for the Church,* vol. 7 (Nampa, Idaho: Pacific Press® Pub. Assn., 1902), 164.