

**A STUDY OF THE THEOLOGY OF COMPENSATION**

**STUDY GUIDE INCLUDED**



**PRESBYTERIAN  
CHURCH  
(USA)**

**OFFICE OF THE GENERAL ASSEMBLY  
PRESBYTERIAN CHURCH (U.S.A.)  
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### A NOTE TO USERS

Take a few minutes to become acquainted with the arrangement of the study papers and study guide. You will notice almost immediately that the study guide precedes the study papers — a departure from the usual format. This has been done to make your study easier and more rewarding.

Read the first part of the study guide, “Introduction” through “Preparing for the Study.” This will give you an overview of the plan for the use of the papers, and describe the objectives to be accomplished.

Follow the suggestion to read the case studies that are in the study guide before reading the study papers. The case studies, all based upon real life situations, will provide specific instances for relating points raised in the study papers. As you read the study papers, keep in mind the suggestions for marking your booklet in preparation for the group study.

One final word: After the study has been completed, take a few minutes to fill out and return the response sheet, which is included at the back of this booklet. The committee will appreciate hearing from you and getting your views in order to help them with their task.

# STUDY GUIDE FOR THE THEOLOGY OF COMPENSATION PAPERS

## Introduction

This study guide has been prepared for sessions, presbyteries, and synods to facilitate study and reflection upon a theology of compensation and basic principles for a compensation plan for the Presbyterian Church (U.S.A.). The guide is directed especially to excerpts from two documents: STUDY ONE, "A Theology of Compensation: A Study Paper" (approved by the 195th General Assembly (1983) from the General Assembly Mission Board); and STUDY TWO, "Theological Concepts" and "Basic Principles," from the "Report of the Task Force on the United Presbyterian Compensation Plan" (approved by the 195th General Assembly from the Vocation Agency). These studies are supplemented by STUDY THREE, "Theological and Ethical Reflection," a section of the "Report of the Committee on Compensation" (received by the 188th General Assembly (1976)).

These study papers are very different. In some cases they reach similar conclusions by following very different lines of reasoning. In some cases STUDY ONE challenges the position in STUDY TWO and STUDY THREE; at points the studies are even in conflict with one another.

The remaining texts of the reports, "A Theology of Compensation," "Report of the Task Force on the United Presbyterian Compensation Plan," and "Compensation for Lay Employees," are included as Appendices A, B, and C.

For further study, refer to the following reports: "The Theology of Stewardship" (order from PDS, 475 Riverside Drive, Room 905, New York, NY 10115, at \$1.50 per copy); "Report of the Committee on Compensation," and "Christian Faith and Economic Justice." The latter two reports are available for \$1.00 per copy from the Office of General Assembly Sales, 475 Riverside Drive, Room 1201, New York, NY 10115.

## The Format of the Study

This study is designed for sessions, for presbytery and synod committees on ministry, and other groups in the church. It is designed to be completed in a single three-hour session, or in three separate sessions of about one hour each. Participants are expected to have read the papers and the case studies before coming to the study session.

## The Purpose of the Study

The objectives of the study are:

- To provide direction for the Presbyterian Church (U.S.A.) in planning for a church-wide compensation plan;
- To assist in the drafting of a statement of a theology of compensation;
- To draw attention to the need to think theologically about church personnel policies;
- To illumine several dilemmas of compensation policy frequently facing sessions, presbyteries, synods, and General Assembly agencies.

## Preparing for the Study

Begin your individual preparation by turning to page 7 in this study guide and reading the case studies. Become familiar with them and some of the issues they raise. Then, keep the case studies in mind as you study the papers and the appendices. During the group study you will have opportunity to discuss the cases, to share insights, and to explore questions that come to mind in your individual study.

As you study the papers and appendices, place question marks in the margins at places that are unclear to you. Be prepared to call attention to these at the beginning of the group study.

Use a marking pencil to "hi-lite" sections in the papers with which you strongly agree, and underline those parts with which you do not agree. This will help to cue you in the group study so that your insights, concerns, questions, and suggestions can be shared with the group.

As time permits, read through the remainder of this study guide and reflect upon the questions that are included in the different sections. It might be helpful to make notes to yourself as you do the individual study so that you will be able to raise those points when the group meets for study.

Finally, be creative and innovative. If some of the case studies would lend themselves to role playing in your group, suggest that this be tried. If you would like to change some of the situations

to suit your own group's needs and interests, please do so.

### Suggestions for the Study

#### Session One Biblical and Theological Background

**60 minutes**

1. Spend a few minutes clarifying points at which there are questions. The purpose of this exercise is to gain clarity rather than to engage in discussion about agreement, disagreement, or response to questions and content of the papers.

#### 2. Biblical Themes and Passages

Listed below are three sets of references to the study papers and to Scripture, with some accompanying questions. Divide into three small groups, with each studying a different set, for about 20 minutes. Then they are to report briefly their findings to the total group.

##### Group A:

(1) Read Acts 2:44—3:10 and 4:32—5:11. On the basis of these passages, what principles would you state regarding compensation?

(2) Review STUDY TWO, lines 47-60, STUDY THREE, lines 276-309, noting especially the message of the biblical references cited. What can the church do to preserve community in the face of inequality and exploitation? What implications do you see in these sections regarding practices of compensation?

##### Group B:

(1) Because of their brevity, the following Scripture passages for study are printed below: "You shall not muzzle an ox when it treads out the grain." (Deut. 25:4).

(Jesus said to the seventy), ". . . remain in the same house, eating and drinking what they provide, for the laborer deserves his wages, . . ." (Luke 10:7).

It is written in the law of Moses, "You shall not muzzle an ox when it is treading out the grain." . . . It was written for our sake, because the plowman should plow in hope and the thresher thresh in hope of a share of the crop (1 Cor. 9:9, 10).

In the same way, the Lord commanded that those who proclaim the gospel should get their living by the gospel (1 Cor. 9:14).

Let the elders who rule well be considered worthy of double honor, especially those who labor in preaching and teaching; for the scripture says "You shall not muzzle an ox when it is treading out the grain." and "the laborer deserves his wages" (1 Tim. 5:17, 18).

Compare the passages above with these words from Scripture:

(Jesus) called to him the multitude with his disciples, and said to them, "If any man would come after me, let him deny himself and take up his cross and follow me. For whoever would save his life will lose it; and whoever loses his life for my sake and the gospel's will save it. For what does it profit a man to gain the whole world and forfeit his life" (Mark 8:34-36)?

For you know the grace of our Lord Jesus Christ, that though he was rich, yet for your sake he became poor, so that by his poverty you might become rich (2 Cor. 8:9).

How are we to relate need and sacrifice with regard to compensation for those who are engaged the church's work on a full time basis?

(2) Read STUDY ONE, lines 109-133. What insights do you gain from the discussion of the biblical understanding of material and spiritual to help deal with the issue raised in the Bible passages you have just studied?

(3) In STUDY ONE, lines 134-159, the writer states that God's glory is *primarily evidenced in the just conduct of public life*. What are the appropriate relationships of justice and love?

##### Group C:

(1) Because of their brevity, the following Scripture passages are printed below: Beware lest you say in your heart, "My power and the might of my hand have gotten me this wealth. You shall remember the Lord your God, for it is he who gives you power to get wealth; that he may confirm his covenant which he swore to your fathers as at this day. And if you forget the Lord your God and go after other gods and serve them and worship them, I solemnly warn you this day that you shall surely perish. Like the nations that the Lord makes to perish before you, so shall you perish, because you would not obey the voice of the Lord your God." (Deut. 8:17-20).

What have you that you did not receive? If then you received it, why do you boast as if it were not a gift (1 Cor. 4:7)?

Since we have wealth as God's gift and not by our own efforts, what implications does this have for sharing with others? What implications does it have for compensating full-time employees of the

church?

- (2) Read the following words from Proverbs 30:8-9, and discuss the questions:

Remove far from me falsehood and lying;  
 give me neither poverty nor riches;  
 feed me with the food that is needful for me,  
 lest I be full and deny thee,  
 And say, "Who is the LORD?"  
 or lest I be poor, and steal,  
 and profane the name of my God.

This passage commends "just enough." What are the dangers of riches? of poverty? How do we determine what is "just enough?"

- (3) Read the parable in Matthew 25:14-30 about the talents and in Matthew 20:1-16 about the laborers in the vineyard. What do these parables tell us about compensation?

- (4) In STUDY ONE, lines 193-198, the writer reminds us about Jesus' warning against being anxious about earthly goods. What does this reminder say about the issue of compensation?

### 3. Theological Emphases and Discussion

The study papers (1) focus on theological emphases that grow out of the biblical material and the Reformed confessional heritage, and (2) relate theology to current or classical analyses of the cultural situation in which the church lives and reflects and makes decisions. This portion of the study will examine these two points.

Divide again into the same three small groups and assign each group a different section below. After they have spent about 20 minutes on their assignments reconvene as a total group to hear brief reports from the small groups.

*Group A:* Review STUDY ONE, lines 89-202, which draws upon the opening question of the Shorter Catechism about the goal of human life being to praise and enjoy God forever. Note the four "agreements" about enjoyment and the five statements about the meaning of glorifying God. Two key notions in the section are that (1) there should be no distinction between spiritual and material, and (2) love is expressed as justice in institutional life. The affirmations at the end of the section are clear:

- "1. The glory of God is manifested in earthly human communities of justice.
2. The enjoyment of God refers both to fellowship with the person of God and the abundance of God's created gifts."

How do you respond to the understanding of the Shorter Catechism expressed in this paper? Is there, or is there not, a valid distinction between spiritual and material? Do you agree that love must be expressed as justice? If so, how is this to be done? If not, why not?

*Group B:* Review STUDY TWO, lines 84-98, STUDY THREE, lines 353-410, and STUDY ONE, lines 384-424. STUDIES TWO AND THREE recognize the need to reassess the meanings of distributive justice in terms of merit or equality when applied to the church. STUDY ONE raises serious questions about the secular understandings of distributive justice.

What should be the relationship between merit and equality as bases for compensation? Should one or the other govern in the church? If so, which, and why? If not, what alternative would you propose?

*Group C:* Review STUDY ONE, lines 322-377, 384-424, and 511-545.

The writer suggests that, in light of the discrepancy between the economic values of our culture and the claims of the Christian faith, our economic and theological presuppositions and programs should be re-thought. Three alternatives seem to be: (1) there simply should always be tension between secular economic systems and the biblical/theological vision of the church; (2) the church should seek a "higher way" in its life; (3) the church, in its life and witness, should seek to modify the values and practices of the economic structures and powers of our day.

The third alternative is suggested as the appropriate response regarding the relationship between faith and culture. Do you agree? If so, what are some ways this might be done? If not, what alternative would you choose, and why? In your judgment, is the picture painted in these sections, and in the study papers, accurate? At what points would you differ with the views presented in the papers?

## **Session Two Facing Some Issues and Principles of Compensation** **60 minutes**

The three studies deal with the practical issues of compensation in very different ways. The six "Basic Principles" of STUDY THREE (lines 414-449) are expanded into a list of 12 in STUDY

TWO (lines 100-132). STUDY ONE, on the other hand, raises some searching questions in Section IV (lines 379-550) and makes some observations in Section V (lines 552-648).

The "Basic Principles" of STUDY TWO and excerpts from Sections IV and V of STUDY ONE have been clustered into nine groups below, along with questions for reflection and discussion. Divide into three or more groups and assign the clusters for small group reflection and discussion. The amount of time in small group discussion and reporting to the total group will depend on the number of groups. Arrange the schedule so that there is enough time for all groups to report — more groups with less material assigned would mean shorter time in small groups and more time for reporting in total group.

### Basic Principles (STUDY TWO)

1. Any system of compensation should be in accord with Presbyterian biblical, theological and ethical standards.

Compare these two statements. Do you agree that the biblical and theological considerations ought to be first in building a system of compensation for the church? Consider the biblical contrasts raised in the Acts passages between having all things in common and earning one's keep.

2. Any system of compensation should be feasible, fair to all, and compatible with the Presbyterian system of government.

What do you think is possible or feasible? How far should we challenge the limits of feasibility in order to insure fairness for all, or to meet needs?

3. Any system of compensation should be applicable to all employees.

Review Appendix C. STUDY ONE calls for the same standards of concern about the compensation and lifestyle to apply to all Christians, as well as church employees. What is at stake in such a discussion? Should this consideration and study include all Christians? What additional concerns need to be expressed for lay employees?

4. Compensation should be based on the nature, purpose, scope, and responsibilities of the position . . .

5. An individual's salary should be related to performance on the job. . . .

### Questions/Observations (STUDY ONE)

01. The first issues are not economic but theological. They concern how the church orders its life in obedience to the gospel. And when that is clear, a context emerges in which economic issues can be freely and freshly considered.

02. Any realistic awareness in the church would indicate that there will not be a sudden move in the direction proposed here (in STUDY ONE).  
04. A major issue is sorting out what is *needed* in relation to what is *possible*. . . . When we settle for what is possible . . . we follow cultural models. Clearly the early church was as powerful as it was because it focused on need and not on possibility.

03. The church will need to decide what it means to be "connected". . . . A Reformed ecclesiology cannot screen out economic dimensions of that communal self-understanding.  
Q2. A decision on the part of the church to explore an alternative economics is a decision to be made by *the whole church* in a way that would *involve and affect the whole church*.

Q3. The present arrangement (for clergy compensation) practices, and is in principle committed to, inordinate inequality, not at all based on need but based on merit, success, luck, ability to pay or a variety of other factors. . . . The church . . . must face the difficult question of some form of equalization among its authorized leadership.

05. If . . . a break with meritocracy is undertaken, then the church must think about *other forms of discipline* for its pastors. Presently economics is the key mode of discipline. . . .

What place should merit have in determining compensation? What place should need have? Are these appropriate ways for differentiating among persons in the employ of the church?

6. The system of compensation should ensure all church employees a moderate standard of living.

7. Adequate minimum salaries should be established for all positions.

What is a moderate standard of living? Are minimum salaries generally adequate? What is to be done about inequality? Is present income the only factor, or must consideration be given to retirement income as well? Should retirement perpetuate the inequalities of the present? Are Principles 6 and 7 specific enough?

8. There should be a reasonable relationship between the highest and lowest salaries paid to all church employees.

9. The highest salary paid to pastors and other church professionals in a specific geographic area should not be more than three times the lowest salary paid to such persons in that area.

What do you see as the advantages, or disadvantages of some degree of equalizing compensation? Does such a principle seem feasible? fair to all?

10. To make an adequate compensation policy work requires strengthened commitment on the part of the whole church to take responsibility for supporting ministry in the poorer and discriminated-against parts of the church family.

How far can, or should, the concern for sharing and supporting go? What are some factors that might keep such sharing from happening? How could they be overcome? What sign does the church in the U.S. give to the church in Africa, Asia, and South America? Do the studies adequately face compensation in a global context? Should we think more about that?

11. It is crucially important that the compensation program be accompanied by a vigorous program of affirmative action on behalf of racial-ethnic persons and women.

12. Strong, competent pastoral and other professional leadership is essential to the mission of the church, and adequate compensation is necessary to the attainment and maintenance of such leadership.

Q3. The church, if it is indeed covenantal, must take note that some clergy live at poverty levels and others receive more compensation than could possibly be needed.

O6. An implication . . . is the *break between* present income and future security (annuity).

Q3. Perhaps the inequality is especially evident for pastors of some large churches, whose compensation is reflective . . . of a secular economic orientation in the church.

Q3. Perhaps "congregational centers of wealth" . . . could think about partnerships so that congregations which lack resources . . . could count on regularized support as an act of continuing solidarity.

Q4. When the Church urges society to care about economic justice, its voice is muted and lacks conviction unless it can, in its own life, live out the urgings it makes of society.

Q4. If we could be serious about sharing resources, it is most probable that there is more to be *shared* by all of us than is needed by all of us.

Q3. It is clear that clergy who are not white and male suffer most from the present free-market system which imitates our culture.

Q3. Present arrangements suggest that a person's worth is measured by the ability to achieve a position that pays well. Such a criterion of success blurs the intrinsic value of persons. . .

Does "affirmative action" mean something different for the church than for business or education? Should a different term be used to describe the inclusiveness of the church?

Q4. A satiated Church and a satiated leadership are not likely to be well-suited spiritually for risk, courage and daring.

Q4. Characteristically we do not bite the hand that feeds us, especially if we are well fed. Authority and freedom in the Church for its mission depend on the Church's relative disengagement from the economic constraints and influences of our culture.



Reflect upon these statements. Do you agree with them? What reservations do you have? What is the relationship, if any, between responding to a call to serve in the church, and compensation?

**Session Three Reflections on Principles When it Comes to Cases 60 minutes**

In the light of the biblical and theological considerations and the principles you have discussed, turn now to cases that represent actual situations in the church. Consider how these could be dealt with in the light of a sound theology of compensation, and how such a theology should take account of actual situations. If time does not allow for considering all the cases, deal with those that are most relevant to your group.

**COMPENSATION DEFINED**

As you consider the cases and principles, here is a definition of compensation that might be helpful: The total compensation of a church employee includes all payments received directly or indirectly, in cash or in kind, for services performed in meeting the duties of the job. These include:

- A. Salary and Related Payments
  - 1. cash salary
  - 2. non-forfeitable annuity payments
  - 3. housing allowance (manse, furnishings, utilities)
  - 4. honoraria and fees for job-related services
- B. Benefits
  - 1. pension dues
  - 2. health insurance premiums
  - 3. life insurance premiums
  - 4. other insurance premiums
  - 5. paid holidays, vacations, and leaves
  - 6. employer contributions to FICA
  - 7. employee tuition benefits and other self-development payments
- C. Other Compensation
  - 1. gifts of significant value
  - 2. college or school expenses of children
  - 3. hardship allowances for dependents
  - 4. creative subsidies for housing purchase
  - 5. royalties from books written on the job
  - 6. benefits from guiding tours
  - 7. reimbursement for expenses in excess of reasonable job-related levels
    - a. travel
    - b. conference fees
    - c. self-education materials
    - d. dues or membership fees (including country club fees)

(Note: In APPENDIX A.3 there is a list of compensation terms.)

As you read the following cases make notes about what principles and issues are involved from the biblical and theological study as well as from the list of principles of compensation. Then, in the group discuss the issues that are raised by the cases as decision makers work to develop a fair and adequate plan of compensation.

**CASE I**

Gertrude S. is a secretary in Capital Church. She has just been told by her physician that she has multiple sclerosis and that she will not be able to continue working. She inquires about what the church has provided for someone in her circumstance. She discovers to her dismay that Capital Church, which has three ministers, two secretaries, a church organist, and two janitors in their employ, has made no provision for medical or pension coverage for the non-clergy employees. Her Social Security disability coverage will be her only income. When the session hears of her plight they authorize an emergency offering, from which about \$1,500 is received.

At the next session meeting, Elder John B. expresses his anger, and demands, "Why have we let this happen? What kind of an organization is this church? My bank has a better sense of justice

than Capital Church in that every employee is treated in the same way as far as benefits are concerned."

#### CASE II

Joseph P. has spent all of his thirty-five years of ministry in service to small, rural churches in Wholesome Presbytery. He was ordained by the presbytery under the extraordinary clause with only one year of seminary. He has lived on the family homestead and his needs are perceived to be quite simple. When his presbytery initiated a standard of minimum terms of call, the church Joseph was then serving was granted a waiver. Now the call terms for Joseph are \$3,500 below the current minimum.

Joseph enjoys his rural ministry and the small church, but as he looks ahead to retirement in four years, he expresses some bitterness over the small amount of pension credit he will have earned. He believes he has been penalized in his possibilities for adequate retirement income by his service in small, low-paying churches.

#### CASE III

The personnel committee of the Ninth Presbyterian Church is holding its annual review meeting with Carol A., who is an associate pastor of the church. They ask her about any concerns she may have about her terms of call, now that she has finished her second year at Ninth. Carol responds, "I must tell you that I am really unhappy when I see that my salary and housing allowances come to only half that of Paul, the senior minister, and only three-fourths of that of Jack, the other associate."

"But, Carol," says Janet F., the chairperson of the personnel committee, "Paul has been a minister for twenty-five years and has been here at Ninth Presbyterian for the last seventeen, and Jack came here to Ninth sixteen years ago. They just have more years of service and experience than you do."

"I understand that," Carol answers, "and I know they have more responsibility than I do, too. But my needs are as great, or greater, than theirs. I am a single parent and I have the full financial responsibility for my four children, all under age seventeen. I have to tell you I am really concerned about how I'm going to manage the medical expenses for Jody the next couple of years while he has all that orthopedic surgery that Dr. Evans has recommended."

"That really does raise a difficult question for us, doesn't it," says Janet when the committee has dismissed Carol. "What should be our basis for compensation?"

#### CASE IV

Suzanne L. is Associate Executive Presbyter for Crooked River Presbytery. She is not an ordained minister, and is often reminded of that by her fellow Associate Executive Presbyter, Tom W., an ordained minister of the Word.

Suzanne is in the midst of a running argument with Tom about their compensation. "Look, Tom, there are no differences in the responsibilities in our positions. We even change off from time to time. Yet, because you are ordained you have more after-tax income than I do. I think I ought to get more cash salary so I would have the same available income as you do, or else that your cash payments should be reduced to reflect your special tax status."

Tom argues, "Look, my FICA payments as self-employed are now nearly twice those they take out of your paycheck and even if one-half of my self-employment tax is reimbursed by Presbytery, that is taxable to me."

#### CASE V

The Session of the Valley Presbyterian Church is considering the needs of the church for someone to take responsibility for the education program in their rapidly growing congregation of 875 members. Their discussion turns to the issue of how much compensation they can afford to offer, given the heavy payments they have on the indebtedness for the new education facility. They have the name of Sally G., an ordained minister with considerable potential for educational leadership. They also have the name of Tom H., a certified church educator who has been working in Christian education for the past 5 years. "If we call Sally, we will have to pay the presbytery minimum, which with housing and all the benefits will cost us \$28,000; that's more than we can afford. We could get

Tom for about \$18,000 cash. His retirement and medical will be less besides," observes the chairperson of the Education Committee.

#### CASE VI

The finance committee of Fifth Presbyterian Church has before it a request from Pastor McNamara to increase his housing allowance from \$12,000 to \$18,000 for the next calendar year, and to reduce his stated salary by a like amount. It had already been clear that no increase was possible, and Mr. McNamara, noting this, suggests that there will be an effective increase for him if this change in the housing allowance is made.

Elder Evans speaks up, "Why do we make a housing allowance anyway? So far as I can see no one in this church is ever invited to the pastor's house, and no meetings are held there. In fact my husband says more church people come to our house for dinner or prayer meetings or committee meetings in a year than have been to the McNamara's in the 10 years he's been here."

Tom Duke, a CPA, says, "Well, Mary, you know the IRS allows what they call a parsonage allowance for all ministers, and the allowance is tax-excludable to the extent that the pastor's spending that much on his housing, and doesn't exceed the fair rental value of the home plus running expenses."

"I don't care about the IRS ruling," attorney John Drake responds. "I think that's too much to claim for housing. Why, that's more than a lot of our folks bring home in a year. The minister shouldn't be that much better off than anyone else."

#### CASE VII

James H. has just graduated from Exton Seminary and been called to the Titus Crossroads Presbyterian Church, where he is receiving the presbytery minimum compensation package: salary, \$12,000; housing, \$8,000; travel, \$3,000; full annuity and hospitalization. James came to seminary at the age of 37. He has a 15 year-old daughter who is a sophomore in high school, and a son, 13, in the junior high school. His wife, Jane, is a nursing supervisor, but she has little chance of finding employment within commuting distance of Titus Crossroads. James knew what the situation was and he and his family were drawn by the people and the church life to accept this call gladly.

At the presbytery meeting where James is examined and his call approved, there is also the recommendation of a call to Frank W., a brilliant young preacher who is also 37, to come from his successful pastorate of 6 years in Kansas (his second parish) to the Tall Oaks Presbyterian Church in the affluent suburb of Metro Hills. The call has a salary of \$65,000; housing allowance of \$25,000; travel allowance of \$6,000; annuity, hospitalization, group life insurance, book allowance of \$1,500 and continuing education allowance of \$1,500. Tall Oaks has 3900 members and 4 other ministers on the staff as well as music director and several secretaries. It is also understood that Frank's membership is paid at the Downtown Club and at the Tall Oaks Country Club.

James comes home and tells Jane about the meeting of presbytery and about the call to Frank W. Jane is troubled about the whole thing. "It's not fair," she says. "You're the same age as Frank. You've been successful as an engineer, and you gave up a good career to go to seminary and enter the ministry. Our children are also moving toward time for further education, but we won't have enough to help them. Frank is a good preacher, and he'll have a lot of responsibility at Tall Oaks church. But he's not worth 4 times as much as you are. Something's wrong with the system."

#### CASE VIII

The Presbytery of Maple Walnut in its fall meeting is considering a recommendation of the Committee on Ministry to raise the minimum salary and allowances for new calls and to urge that existing calls be raised to meet that minimum. Elder J. of the Shady Brook church rises to speak against the recommendation. "We are a small struggling church, and we have tried and tried to become self-supporting and to have a full-time pastor. Three years ago you let us call a pastor on a three-fourths time basis because we could only meet  $\frac{3}{4}$  of the minimum. Every year our giving has gone up, and by the end of our pledge season this fall we finally have enough to make Pastor N. full-time on the old minimum. But now you go and change the rules on us."

The moderator of the committee, a bank economist, expresses sympathy, but adds, "The cost of living is going up all the time. Since we last raised the minimum salary and allowances the Consumer Price Index has risen 12%, and this increase works out to about 10% for the pastors. Equity

demands that we take care at least of the basic needs of our ministers."

Another elder, Richard S., rises to object to the whole notion of minimum salaries. "Just look what happens," he says. "These small churches can never get out of the hole. And besides, what other occupation guarantees anything like this. Why, I know some people who don't come close to getting what we are paying some of our pastors. And even this minimum is keeping some lazy people at a level above what they deserve. I believe that we ought only to reward merit, raise the pay only when the pastor shows some ability and hard work to help the church along."

"Madam Moderator," says Elder Jane Z., "I am troubled that we are spending so much time on this issue. I agree that we need to support our ministers at a basic level, and I think that some of our rich churches ought to have to chip in part of what they give in salary raises to a fund especially to support the minimum salary for churches like Shady Brook."

#### CASE IX

The Personnel Committee of the Happy Park Presbyterian Church is holding its quarterly meeting to review staff compensation and discuss performance.

Bob R. is disturbed about the pay which is set for James, the church sexton. "It doesn't seem right to me," he says, "that we have a stated presbytery minimum for the pastors, but we don't seem to have much concern for those people whose work we depend on so much. James has 4 children to feed and clothe, and we are paying him the minimum wage, even though he has been working here faithfully for 5 years."

"Well, I don't agree," says Ted Q. "I don't think he does that good a job for one thing. Longevity isn't the only criterion; performance also figures in, and James' performance isn't that good. The floors aren't always clean on Sunday after we've had an event on Saturday evening, and there aren't always supplies in the restrooms. Besides, I understand he's also working at the Emporium, cleaning at night after the store closes. I bet he's taking in plenty from that as well."

Frances S. frowns and looks troubled. "I don't think the church should force someone to moonlight to make ends meet. We certainly don't expect other employees to have to work outside to have a living level of compensation."

"I don't know about that," says Ted. "We sure don't keep the pastor from preaching revivals or taking wedding fees. He must make out pretty well on his moonlighting. And when we have that seminary prof in to preach for us or teach a course in our special school for adults, we pay her a pretty penny, and that's on top of a good salary at the seminary."

"That's just the point," Frances responds. "Moonlighting isn't necessary for our pastor or Prof. Betty, but we make it necessary for James."

#### CASE X

Susan B. is the executive of a division of the General Assembly Mission Board. She is meeting with the executive committee of her division and reports on the time she has been spending at hearings on behalf of one former employee whom she had terminated for cause.

Frank W., an independent insurance agent and a member of the executive committee, interrupts her report. "I just don't understand why you are going through all this," he complains. "I thought we were the church. How come you have to mix in with government regulations? Surely we ought to be free to do things our own way. And what's with this crazy guy anyhow? What kind of dedication did he have to the work of the church if he's making all this fuss?"

Jesse P., a union official and member of the committee, says, "Hold on, Frank. Do you think the church should do less for its employees than the rest of society? We have to observe the rules, too. And we should want to. We above all are the organization that should be for fair treatment. Besides, I get a little tired when I hear griping about our need to give adequate notice and severance pay and due process here at headquarters for our lay employees. We sure do give ministers due process and long-term compensation when they are doing a sorry job and we have to get rid of them."

"Well, I am disappointed that we seem to have some folks working here who aren't very dedicated to the church and act like this was just another business," says Roscoe V. "We make sure the folks who work in our church are really committed Christians, and we don't have any trouble about pay or all this government red tape."

"I'm surprised at the way this conversation is going," says Betty D., an ethics professor at Dunmore Seminary. "Do you really think the church should be less concerned about justice than the secular society? We should be the first to have termination procedures that are fair and to work for

equal employment opportunity and for just pay for people with the skills that are needed in our offices and churches. And we should be supporting those same standards in our workplaces."

#### CASE XI

A Task Force on Compensation of the Presbytery of Four Corners is holding a meeting and has gotten involved in a discussion of the basis for setting pay for the staff of presbytery.

"The basic principle for pay levels in the church should be merit and responsibility," says management consultant and ruling elder, Edwin P. "We should see that there is a six-month performance review for each member of the staff, and on the basis of the rating in that review the pay should be adjusted or not, in line with the job evaluation we have had of the responsibilities of each position."

"I just don't agree with you," says Jack O., an inner city pastor and director of a soup kitchen and clothing closet. "The New Testament makes it very clear that the church should be primarily concerned with the need of the person and those for whom that person has financial care. We should establish a basic level of pay based on the cost of living in this town and pay each employee according to her or his need."

Marjorie S. breaks in: "You are probably right about the New Testament, Jack. You ministers generally are. But in our society, in our culture, there's another factor that needs to be attended to. People are led to see their self-worth in terms of their pay. We women have become very conscious of this in recent years, especially since women are paid about 60% of what men are paid in the job market. How we are paid has a lot to do with how we see ourselves valued by others and even with how we value ourselves."

Jack replies, "I know what you mean, Marjorie. I've heard some of the people in our church talk about that. And I've noted what we've done to some of our women ministers, forcing them into part-time ministries at less than the approved minimum salary. And yet, I still think that we ought to use our limited funds not to reward some people with bigger salaries but to make sure that our lower paid people get enough."

"That's too idealistic and not businesslike," interjects Edwin. "The church deserves the highest performance it can get from its employees, especially this presbytery, and we can get that by rewarding people in terms of their job performance."

#### CASE XII

The Session of the Cross Center Presbyterian Church is holding an emergency meeting in August. The pastor is on vacation and the presbytery executive has supplied the pulpit and is meeting with the session.

"I don't know what we are going to do," reports Jessie T., who is also the church treasurer. "We simply can't keep up financially. The electric bills have gone up this summer something terrible. And with the layoffs at the mill people haven't been able to pay their pledges. I really don't know how we can keep paying the pastor at the rate we're going."

Fred Z. turns to the presbytery executive and says, "See what this whole business of minimum salary does. Little churches like ours are in a trap. We get a minister of our own finally, after all these years, and then we get in a bind and can't keep up. I wish some of those folks from the big churches could understand what's going on with us."

"Yes, and I wish they'd be willing to share some of their wealth with us. I know we want to be self-supporting, and I think we really could be if we just didn't have to give all these extra benefits to our preacher," interjects Rufus McW. "Maybe presbytery needs to think about that. It's a whole lot easier for us to share from our gardens than to come up with that big major medical increase that we just heard we're going to have to pay on the preacher next year."

#### CASE XIII

A hot argument is in progress in the inter-agency meeting between the New York and Atlanta board executives about the compensation policy. Two issues have surfaced in the last few meetings over and over again, and this time the debate is on.

"I understand at last what you in New York keep calling exempt and non-exempt staff," says Diane, who heads the X Office in Atlanta. "I see that there are Federal regulations that require that we make that distinction very clearly, and that for the non-exempt staff we have to be guided by

government regulations. But what I don't see is why the salary levels have to be so different. The secretary in my office has more needs even than I do, and I think as a church agency we have to go beyond what the market and the government dictate as salaries."

Barbara G., a New York personnel officer, says, "I'm glad we've finally been able to get you to understand our system. But I do think that there is a difference in responsibilities and capabilities between you and any clerical worker. And that difference needs to be recognized in the compensation plan."

Lou W. says, "I'd be a whole lot more likely to feel good about that principle if I were sure that the determination of job responsibilities could really be made that way you propose to do it. It seems to me that jobs develop around people and people rise to jobs, and that in the end you just have to acknowledge that informal system and do your compensation plan that way. I don't think that the apostle Paul would have commended such formal ways of doing things."

"Oh, I'm quite sure Paul wouldn't have," says Barbara, "but Paul also wasn't dealing with an organization with several hundred employees at many levels of responsibility, nor with a climate in which fairness is understood mostly in terms of legality. My fear about what Lou is suggesting is that it can become very dangerously based on feelings and lead to favoritism."

#### CASE XIV

Write your own case. Thirteen isn't a complete number by any means.

## STUDY ONE

## A THEOLOGY OF COMPENSATION

**A Theology of Compensation: A Study Paper**  
 [Approved for study by the 195th General Assembly (1983)]

The following paper is offered to contribute to the thinking of the Church on a vexed, important and inescapable problem. These preliminary comments may provide an orientation to the paper:

1. The paper is an initial response to two resolutions to the 120th General Assembly. The first of these (80-7), offered by Forbes and Reveley, asks for equalization of the retirement plan, so that pastors are not "penalized for service in small churches." The second (80-10) asks for a "theology of compensation" to correct current disparities in compensation. [For Background and Recommendations see Appendix A. For Compensation for Lay Employees see Appendix C.] The adoption of these resolutions by the General Assembly seems to acknowledge that there is a problem to be addressed. That point is here assumed and not argued. Persons considering this paper may have varying judgments on that assumption, and that matter needs to be explored. But that assumption is not made by this paper only, but by the actions of the Assembly.

2. The following paper takes a position. Such a paper has a specific function not to be confused with other kinds of papers. It does not intend to present every possible opinion on the question. Its purpose is to set out a judgment on the issue, i.e., to shape the question around certain arguments, so that the issue can be explored from a focused perspective.

But neither does this paper press toward a particular conclusion. Rather it tries to identify and articulate a series of issues about which decisions need to be made. In reviewing and assessing this paper, two different steps need to be considered:

a. There is anguish because we are aware that the present arrangement regarding compensation is inequitable. Otherwise the General Assembly would not have taken the actions it did. And in many different ways, *all of us are participants* in the inequity. Therefore, to clarify the issues is difficult, because all of us fail to notice the "log in our own eye."

b. But acknowledgment of the problem does not in and of itself indicate an answer. We need to recognize that these are for us genuinely new issues. None of us has an answer. *And there we are all of us probing new territory.* And that makes us uneasy.

c. The issue is vexing to us, because it raises painful issues about some longstanding habits and some profound commitments we have to public practice and public institutions. And we are not in the habit of *reexamining old and profound commitments.* Thus we may expect that address of these issues will cause dispute among us and consternation within us as we seek the guidance of the Spirit.

The paper attempts four things:

1. It seeks to articulate a theological context for the issue, acknowledging that the Reformed tradition of theology is unsettlingly concerned with these issues. This makes the issue both difficult and unavoidable. And we must seek as best we can for guidance from our theological tradition.

2. The paper seeks to explore some of the contextual factors of culture which are important as we address the question. In doing this, the paper uses the phrase, "consumer capitalism." That is for some a difficult phrase. It is not useful to engage in a theoretical discussion of economic theories or systems. Rather what is meant by the phrase is a relatively new way of creating values that is to some extent discontinuous from all old economic theories, including capitalism. "Consumer capitalism" means the enormous propaganda power of corporate advertising to create *false needs*, and *false promises* of being able to satisfy those needs. That is, the formula refers not simply to a theory of economics but to a system of values in which we are all enmeshed. It seems clear that none of the old, conventional economic theories is adequate to that reality in our culture that jeopardizes us all, and causes us to forget what it means to be human and to be humane.

3. Having reviewed some claims and resources of the Reformed tradition of theology and some factors in our cultural context, an argument is made about how the *theological tradition* and *cultural context* relate to each other. This is the crux of the position taken here. To be sure, alternative arguments can be made. Two points should be recognized. First, this judgment is not made polemically or ideologically, but confessionally in terms of what is observed in faithful lives. Second, the position taken here is not a strange one, but is held by many Christian thinkers all across the

59 theological spectrum from conservatism to liberalism. This does not in itself make the position cor-  
60 rect, but it at least warrants careful, reflective consideration. And, the paper does not ask for more  
61 than that the argument may be probed carefully and not dismissed or accepted easily.

62 4. Out of the relation of theological tradition and culture context, there are stated four impli-  
63 cations about which the Church needs to decide:

- 64 a. Relation of Church economics to culture economics;
- 65 b. Relation of clergy economics to Church economics;
- 66 c. Relation of affluent pastors and congregations to less affluent ones;
- 67 d. Relation of economic circumstances to the mission of the Church.

68 Two things may be said about these issues. First, they are all part of the same issue articulated in  
69 Section III, and they need to be considered as parts of a whole. Second, they are quite distinct from  
70 each other and each needs to be taken on its own merit.

71 This paper is intended to clarify, to unsettle and to invite to new thinking. There will be no  
72 new thinking without some unsettling. What it most urges is that the General Assembly resolutions  
73 are the tip of an iceberg. What is clear is that the Church now stands at a very exciting and danger-  
74 ous moment in its history for faithfulness. Given what is happening in our culture, there will be no  
75 "business as usual" on these issues. Perchance we all may be led by the Spirit to think new thoughts  
76 and to run new risks for the sake of the Gospel. These issues do not come to the Church in a  
77 vacuum. Important preliminary work is done in a study paper from the Task Force on Theology of  
78 Stewardship, and in the economic study of Theology and Culture. This paper seeks to respond to  
79 these studies and hopefully to advance the discussion.

80 One other preliminary matter. The issue under consideration is not a theoretical or an elitist  
81 issue. It is a very practical issue facing specific persons and congregations. It concerns the kind of  
82 leadership churches may have and the kind of calls pastors may consider. Thoughtful consideration  
83 of these issues must not be trivialized by making it a theoretical issue of an ideological kind, for it is  
84 a pastoral issue that concerns faithfulness in actual practice of faith. No use will be served by choos-  
85 ing up sides on this urgent matter.

86

87

### I. Theological Mandate as Context

88

89 It is agreed among us that the fundamental purpose of human life is "to glorify God and enjoy  
90 him forever."

91 It is agreed that our lives are derived from and referred to God, and cannot be joyous or ful-  
92 filled apart from God.

93 It is agreed that our deepest joy is not apart from God, but is intimately linked to the glory of  
94 God.

95 It is agreed that this fundamental purpose of human life is not only an "end-time" goal, but a  
96 daily agenda for the entire span of human life.

97 It is agreed that "the enjoyment of God" means both to delight in fellowship with God who is  
98 Lord and to use freely the gifts of God who is creator.

99 A theology of compensation is necessarily rooted in this theological consensus. And no reflection  
100 in the Church's system of economics can be considered other than on this basis. On the other hand,  
101 it may be that the consensus from which reflection must proceed on this question extends no further  
102 than these foundational affirmations. It may be that a first move beyond these foundations will  
103 disclose a total lack of consensus. But that is yet to be determined through sustained study, prayer,  
104 reflection and conversation.

105 A theology of compensation is rooted in our common call to glorify God, i.e., to make God more  
106 visible and more central in the processes of human community. Indeed, as the World Alliance of  
107 Reformed Churches has recently affirmed, the future of humankind is closely linked to the glory of  
108 God.<sup>1</sup>

109 At the outset, we encounter difficulty with the categories in which we shall speak. The conven-  
110 tional categories of "spiritual" and "material," do not serve us well. For the covenantal, incarna-  
111 tional faith of the Bible shatters those categories. On the one hand, it is clear that biblical faith is  
112 robustly "material." It celebrates God's good creation and the freedom to enjoy. The Church has  
113 always affirmed that the gospel concerns the earthly, material, i.e., economic well-being of all God's  
114 creatures. On the other hand, it is clear that biblical faith is profoundly "spiritual." It affirms that  
115 newness and healing are the inexplicable work of God's spirit in the midst of creation.

116 The Church cannot countenance a materialism which denies the cruciality of God's enlivening



spirit as the only source of human life and human community. We are not creatures for whom the belly is the God. The Church is committed against every inordinate preoccupation of the things of this world, for it knows that such things will never secure us, and that there finally is not cause for anxiety about such matters. The Church's affirmation of the "material" in human life has no room for the satiation of modernity.

Conversely, the Church cannot countenance a spiritualism which denies the cruciality of God's earthly gifts as the provision for viable human life and human community. The future for which the Church hopes and which is promised in the gospel is a bodily future. And therefore the Church is deeply suspicious of every religious pretense that turns attention away from the needs of this bodily world to "higher things," for such a turning of attention is characteristically misleading and oppressive. The faith of the Church parts company with every "spiritual" venture that diminishes passion for God's promises in the earth.

So our faith is robustly material, profoundly spiritual. It urges that enough of this world's goods be granted for the dignity of every human creature. It urges that we be weaned from the goods of this world to fix our life solely on the will of God. And however the Church settles the issue of "compensation," it must attend to those matters which must always be resolved in tension with each other.

To glorify God is not a heavenly, spiritual or religious activity, as though the glory of God could be compartmentalized. To be sure, "to glorify God" includes a dimension of awareness that may be characterized as "religious." But the Reformed tradition of theology insists that the glorification of God concerns the shape of public life. It has to do with an obedience of the whole community of faith in the ordering and conduct of all affairs. It is not irrelevant to manifest God's glory in things religious. But in faithfulness to the earthliness of biblical faith, God's glory is *primarily evidenced in the just conduct of public life*.

Thus, to glorify God is to be a community reflective of God's person, attentive to God's purposes and promises.

To glorify God is to shape on earth a community capable of humanness and humaneness according to the humanness disclosed in Jesus Christ.

To glorify God means to take the crucifixion/resurrection of Jesus as the shape for the ordering of a community in ways deeply at odds with other communities that do not take their calling to be the glory of God.

To glorify God does not mean to imitate or embody general, uncritical notions of God, but it means to imitate and embody what we know of the particular God whose purpose, person and promise is disclosed in the poor man of Nazareth who does not grasp but empties himself.

To glorify God means not to escape to any heavenly holiness as though to flee the earth. It means rather to enact God's *holiness* on earth in the form of *justice*. It is the practice of earthly, human, public justice which does glory to this particular God.

This paper focuses on the issue of justice. In doing that, this paper is not insensitive to or uncaring about the primal Christian agenda of love. But clearly love, when it concerns institutional policy and practice, must be expressed as justice, that is, as fair pay and equitable provision. Indeed, the most important dimension of love for our topic is not generosity or charity or compassion (all of which are important), but the establishment of *policies* that protect and guarantee the well-being of persons related to the issues.

Thus a theology of compensation can articulate the glory of God precisely as it thinks critically and constructively *about justice in the ordering of the finances of the Church*.

To enjoy God forever is not simply a hope for beatific fellowship after death. The enjoyment of God is a mode of present life. And that means to commune fully with God's person and to receive fully God's gifts in creation. The enjoyment of God is not reduced to a "spiritual" experience. Nor is the enjoyment of God a material habit of using God's gifts without reference to the person or purpose of God. Enjoyment in an evangelical sense includes both *a deep fellowship and a full abundance* of creation's blessings. The full enjoyment of God, enjoined in the catechism, requires a critical and delicate balance of both God's own inscrutable presence and God's generous gifts. Enjoyment thus will imply different settlements of the personal presence and gifts of God in different circumstances.

And the Church must reflect carefully on the ways in which God's person and God's gifts are related and in tension. Excessive preoccupation with God's person and presence may end up in an escapism from the demands of earthly life. Conversely, excessive preoccupation with God's good gifts may cause a sense of autonomy which is destructive. Thus the Church must ask about these in

175 every circumstance. For the well-off, enjoyment of God may entail rigorous disciplines of genuine  
 176 relinquishment, renunciation and self-denial.<sup>2</sup> Conversely for the disadvantaged, enjoyment of God  
 177 may indicate a ready embrace of God's good gifts of food and shelter that have been inequitably  
 178 administered. So there is no "final" theology of compensation. There are only decisions made appro-  
 179 priate to where the Church finds itself *concretely*.

180 The concrete situation of the Church is that many ministerial opportunities are less and less  
 181 economically viable. Movement to a new church by a pastor is difficult, if it means a lower salary.  
 182 No one doubts the importance of ministry in small churches. But adjustment must be made in  
 183 retirement planning, if there is to be realism about pastors of effectiveness and faithfulness for such  
 184 churches.

185 The first question of the Heidelberg Catechism does not only receive an answer about belonging  
 186 to a faithful savior, but also asserts that God attends to us as creatures of the earth:

187 "What is your only comfort, in life and in death?

188 That I belong—body and soul, in life and in death—not to myself but to my faithful Sav-  
 189 ior, Jesus Christ, who at the cost of his own blood has fully paid for all my sins and has com-  
 190 pletely freed me from the dominion of the devil; that he protects me so well that without the  
 191 will of my Father in heaven not a hair can fall from my head; indeed that everything must fit  
 192 for his purpose for my salvation . . . ."

193 Jesus admonishes his community that we should not be anxious about food and shelter. But that  
 194 admonition is not based on the assumption that such things do not matter. Rather the ground for  
 195 assurance is that the Father in heaven knows of our need for all these things. It follows that all  
 196 serious thought about economics must be linked to a robust and critical understanding of who we  
 197 confess God to be. We cannot think afresh about our economic affairs, if we do not at the same time  
 198 think afresh about our faith in God.

199 Thus we begin with two affirmations:

- 200 1. The glory of God is manifested in earthly human communities of justice.
- 201 2. The enjoyment of God refers both to fellowship with the person of God and the abundance of  
 202 God's created gifts.

203

204

205

## II. The Context of Culture

206 A theology of compensation is never articulated in a vacuum or once for all. Indeed the ques-  
 207 tion of a theology of compensation is peculiarly pressing precisely because of the context of the  
 208 contemporary Church. In other contexts, the agenda of compensation might have been settled very  
 209 differently. Or it might not have been raised at all. Just as we need to be clear on the *abiding*  
 210 *evangelical affirmations* of our faith (see Section I), so we need to be equally attentive to *the pecu-*  
 211 *liar contextual factors* that now confront the Church. These peculiar contextual factors do not alter  
 212 the basic evangelical affirmations we have reviewed. But they require that these abiding affirmations  
 213 be considered in a particular way.

214 At least these factors seem proper for affirmation:

- 215 1. We live in a society in economic *disarray*. That is an affirmation about which there might  
 216 be a broad consensus among us. It seems evident that neither the old liberalism now on the wane or  
 217 the old conservatism now on the increase can cope with the realities. None of the conventional  
 218 answers seem to work and none of them ring true in the public domain.

219 Such a judgment about disarray is not a polemical or partisan statement, but a descriptive one.  
 220 The vicious circle of inflation, taxes, recession, unemployment seems beyond resolution, given the  
 221 options presently at hand. And that is complicated by the world situation and our national  
 222 penchant for more and more arms. And therefore the Church need not use its energies or divide its  
 223 fellowship in controversy over old, dysfunctional solutions. Have we the imagination and inclination,  
 224 a period of disarray and dysfunctional solutions may be a time for bold inventiveness to order the  
 225 household of faith in a fresh way.

- 226 2. The great new fact in our culture is an incredible *affluence* that now grips us, whether we  
 227 are well-off or not. Almost all of yesterday's luxuries have become today's much needed necessities.  
 228 We have largely embraced the consumer expectations of our culture. All of us in the Church are  
 229 deeply enmeshed in those values of satiation. And we may be united with others, who when we are  
 230 full may say. "My might and my power have gotten me this wealth" (Deut. 8:17). Enmeshment in  
 231 the values of consumer affluence is an urgent spiritual problem in our culture. It is a problem for  
 232 those of us who are preoccupied with having and keeping, who so easily forget the name of the giver.

And it is a problem for those who are preoccupied with not having and being denied access, who so easily exploit out of their disadvantage. And it is a problem for the main body of Church people who are inordinately wealthy or noticeably poor. Indeed, it can be argued that it is precisely middle class people who are most squeezed by what is happening, And that squeeze is what makes our topic so urgent and so problematic. Either way (to have or not to have) is difficult in our current setting.

“Give me neither poverty nor riches;  
Feed me with the food that is needful for me,  
lest I be full, and deny thee, and say,  
“Who is the LORD?”  
or lest I be poor, and steal,  
and profane the name of my God.” (Prov. 30:8-9)

It may be that the repentance to which the affluent Church is called is an economic relinquishment.

3. Strangely, when we experience affluence which sharply redefines our persons and our destiny, we continue to adhere, for quite contradictory reasons, to an economic *ideology of scarcity*. On the one hand, our capitalistic world-view is driven by an ideology of scarcity which fosters a notion of shortage of goods and a competitive drive for a fair share or a larger than fair share. Such an ideology flies in the face of an evangelical affirmation of God’s abundance. “Now to him who by the power at work within us is able to do far more abundantly than all we ask or think . . .” (Eph. 3:20).

On the other hand, and at the same time, an ecological awareness leads us to think about diminished resources and a kind of irreversible scarcity of energy resources. And this makes us aware that our inordinate affluence cannot for long be sustained.

But this is contradictory thinking because it yields very strange configurations of opinion. On the one side, there are those who operate with an economic view of competitive scarcity, yet who pay no heed to any energy crisis. Energy is used extravagantly to fuel the mechanisms of technological growth. On the other hand, those who want to remain free of such a corporate ideology and live in a shared abundance are often those who are convinced of a coming critical crisis in energy.

To state the issue this way is unsettling. It is unsettling precisely because it brings fundamental elements of the American dream under assault. And we do not like that. So we Christians will have to think seriously and candidly about our confused commitments, about our passion for the gospel and our yearning about the American dream. We keep hoping it will all fall together in a nice harmony. But there grows a hunch among us that we will have to sort things out and make fresh decisions. It may well be that the faithful Church will have to make some decisions about the relation between the gospel and our national dream.

So we are at a place, midst important incongruities in our public thinking, from which to address afresh our best thinking about creation and our stewardship of the riches of creation. It is likely the case that the old categories won’t hold and that new modes of perception and thinking, and new alliances in responsibility might be forged.

4. The lustful *power of affluence* and the *embrace of scarcity* makes a curious juxtaposition in our cultural values. That juxtaposition raises for us questions about the extent to which we are engaged in a fantasy which is suicidal or at least destructive of community. The economic reality that grows out of our conflicted ideology is that some live and practice a *limited kind of satiation* and at the same time others experience scarcity which is *demeaning, dehumanizing and despairing*. (The consumerism which characterizes our circumstances has little resemblance to the old theory of self-disciplined capitalism. It has more in common with the destructive economics condemned by the prophets of ancient Israel.)

The Church now must be deciding about the ways in which and the extent to which this dehumanizing incongruity is a given in our lives, how much we are willing participants in this practice at the expense of brothers and sisters and the ways in which liberation is possible from this enmeshment.

5. It seems likely that the lustful economics in which we are enmeshed is not unrelated to the *nuclear anxiety* that besets us. In a society beset by incredible insecurity, it is as though a pursuit of consumer goods would somehow make us safe in such an unsafe world. Or conversely, perhaps our deep hunger for security is recognized as futile, and we have unwittingly settled for momentary satiation in place of genuine social security which escapes us in any case. That is, if we cannot be *safe*, we can at least consume ourselves into *numbness*. Perhaps our economic practice is desperate

291 and cynical response to our realism about the nuclear threat.

292 Our odd ways of economic behavior are surely linked to our profound fear of nuclear war. Vari-  
293 ous assessments indicate that well over half of our citizens believe that we will eventually have such  
294 a war. And that deep and unarticulated fear causes us to do strange and inhumane things.

295 What is clear is that our corporate economic life is now committed to and fosters a new notion  
296 of humanity, one deeply *antithetical* to our Christian convictions.

297 It is difficult to know how or when this has happened. But it is likely since 1945 that we have  
298 had a dramatic shift in values and the way we have thought about well-being and security. Since  
299 that time our imagination has been impinged upon by new forms of atomic power, by undreamed  
300 media developments which assault us, by the terror of VietNam, by the public violence now almost  
301 routine, by the travesty of Watergate. And through all these pressures, we have fashioned a new  
302 idolatrous notion of Americanism. The commanding notion is that *self* is what counts, that *security*  
303 is our goal, that satiation is unending and to be pursued without limit. These new values affect our  
304 self-understanding, our interpersonal life and our public policy. No decisions about how the Church  
305 orders its own economic life can be made without new decisions about the Church's posture in the  
306 more general situation in our culture. Taken in broad scope, the Church's own economic arrange-  
307 ments are irrelevant, unless they are an alternative modeling or at least a subversive protest against  
308 the ideologies of the day.

309 What seems sober and realistic is that the Church's thinking on this question takes place in a  
310 culture now gone dangerously skewed in its values, a culture in which satiation is substituted for  
311 caring, in which more deathly arms are passed along as agents of security, in which people freeze to  
312 death and the instruments of public life are incapable of a humane response.

313 At a time of desperate human need in terms of basic services of health, food, homes, there is a  
314 growing cynicism about brothers and sisters and their God-given entitlements. The spiritual issue is  
315 the way in which the Church is enmeshed in and even legitimates this diabolical way of life.

316 None of us knows how to get at those issues. But we have a hunch that it means going back to  
317 the basics of the gospel, to re-face the scandal of Jesus of Nazareth, that we face again how danger-  
318 ous the gospel has always been, how it stands always in tension with the values of the day. We  
319 suggest that until the extraordinary alternative vision of reality is faithfully preached and taught,  
320 we likely will not get free of our enmeshments.

321

322

### III. The Shape of the Issue

323

324 Thus far we have made two kinds of affirmations. First, we affirmed that our theological con-  
325 sensus confesses that God is to be glorified and God's good gifts enjoyed. Second, we have affirmed  
326 that our current economic commitments in our culture are problematic, fraught with danger, and  
327 marked by irrational expectations.

328 To be sure, the economic policies of our culture present and assume a kind of reasonableness of  
329 their own. But it is a reasonableness which the Church must question and criticize, for it is a reason-  
330 ableness that pays little attention to the claims of the gospel. So we have an *economic practice*  
331 claiming to be reasonable, which must be criticized and a *dangerous gospel* which the world thinks  
332 unreasonable, which we judge to be our only hope. The key question before the Church is the *rela-*  
333 *tion between our theological consensus and our problematic economic practices and commitments.*  
334 A variety of judgments will be made in the Church concerning the relation of the two. It will be  
335 argued in some quarters (uncritically, we think) that there is an easy and acceptable "fit" between  
336 our Reformed faith and the corporate, consumer ideology in which we live.

337 In a very different context, Max Weber argued a symbiotic connection between Reformed faith  
338 and capitalism. But that analysis is now not terribly germane, because the issues have changed. Now  
339 the economic goal is unlimited satiation and uncritical use of brothers and sisters as is convenient.  
340 Against that, the Reformed tradition offers very different claims. It may be argued against that (and  
341 is argued here) that the two are incompatible. There is a fundamental contradiction between our  
342 evangelical understanding of human destiny, and the human destiny urged for us in our current  
343 economic context which is "rich in things and poor in soul." Succinctly, the gospel promises the *joy*  
344 of the cross, our economic values pursue *happiness* which is remote both from joy and from the  
345 cross. For the promise of the gospel is not that we shall be satiated.

346 Rather the gospel is the promise that we shall live in a covenanted fellowship with all the  
347 brothers and sisters, that we shall share in the gifts of God and will have no need to squander them  
348 from each other. Now we must ask if that is romantic irrelevance, or if we are a community of faith

which can think about such a way of organizing common life. 349

Now, we do not presume there is agreement in the Church on this question. But we do urge that this issue must be joined in the Church. The interface between the *economic promises of the gospel* and the *economic ideology of our culture* are in profound tension, if not contradiction. And no serious or faithful decision can be made about compensation within the household unless that more general question is faced with discipline. Is the faithful Church to participate in the affluence of the consumer culture? Or is the Church (mandated by the gospel) called to disengage from those values and offer an alternative model of community economics? In probing a response to that question, it is clear that old cliches about capitalism and socialism are of little help.

From that basic decision, everything else about compensation derives. From it may flow several implications. If the Church's faith easily coheres with contemporary values, then compensation is to be in terms of affluence and consumer values. If, on the other hand, there is an antithesis, then the Church's theology of compensation must be based on theological claims of discipleship and discipline which are quite in tension with those of our culture.

The position taken here is that:

1. There is a fundamental antithesis between the affirmations of Reformed faith and the economic ideology of our culture.

That antithesis is not peculiar to *our* culture. The same argument needs to be made as well in other parts of the world. But the argument is cast in this direction, because of the agenda of *this* Church in *this* culture. In other cultural settings, the issues must be shaped somewhat differently.

2. In a time of economic disarray in our culture, the Church has an important opportunity to think and live differently and creatively about its own economic life.

3. The urgency of this is not primarily a negative critical one, rejecting cultural values. It is rather an affirmative, evangelical urgency, of finding an economic practice which serves our goal of glorifying and enjoying God. The issue is how to practice that in a way that is economically realistic.

4. The urgency of economic decisions is intimately linked to a serious reassessment of our theological commitments. M. Douglas Meeks<sup>3</sup> has shown most clearly the ways in which our understanding of God authorizes our economic presuppositions. We are in a time for reexamination of those understandings.

#### IV. Some Specific Questions

The decisions of a theological kind required preliminary to the specific agenda of compensation touch four circles of issues. Each circle of decision in turn presses closer to the core issue of the faithfulness and effectiveness of the Church.

1. The first decision requiring resolution concerns *Church economics* in relation to the *economics of our culture*. Cultural economics in the United States is premised on the ideology of corporate consumerism. And it operates with a foundational contradiction. On the one hand, it is committed to the free-market system which rewards diligent effort, competence and performance. On the other hand, it is corporate in the sense that an accumulation of wealth (by whatever means) creates enormous power to generate more wealth. And in that respect it is not effort or competence but surplus wealth which yields rewards.

Now our purpose here is not to critique that economic mode of life, but to acknowledge it for what it is. At the present time, it is apparent that Church economics follows and imitates cultural economics in both aspects cited here. On the one hand, income and "fringes" are assigned on the basis of diligent effort, competence and performance. And on the other hand, accumulation of wealth and ability to pay, either by congregations or ministers, certainly permits a more assured future of growing affluence and "success." The circle (vicious?) in such a system is the same in the Church as in society.

Now the issue is whether the Church wishes to practice an alternative economics that would break the cycle (vicious?) and reject the economic assumptions of our society. It is here urged that the gospel mandates the Church to an alternative practice. That mandate is based, as in Jesus' conflict with the "capitalism of morality" embodied in the Pharisees who had a surplus store of virtue from which they gained social power, and in Jesus' valuing of precisely those devalued by society and denied access to the "goodies" of the social monopoly. Jesus' valuing and his teaching of inversion (cf. Matt. 20:16, Mark 8:34-36; 9:35; 10:31) are here judged to be concerned not only with things spiritual and otherworldly, but are pertinent to the economic sphere as well.

"So the last will be first, and first last" (Matt. 20:16). "If anyone would come after me, let him

407 deny himself and take up his cross and follow me. For whoever would save his life will lose it;  
 408 and whoever loses his life for my sake and the gospel's will save it. For what does it profit a  
 409 man, to gain the whole world and forfeit his life?" (Mark 8:34-36). "If anyone would be first, he  
 410 must be last of all and servant of all" (Mark 9:35, cf. 10:31).

411 These texts are quite familiar to us. But the point that now needs to be considered is the way in  
 412 which these statements illuminate our economic agenda. The danger of Jesus' thinking is not con-  
 413 fined to "religious" matters. It touches those parts of our life that we hold most closely.

414 Specifically, an alternative economic practice in the Church might cease to give economic re-  
 415 ward for diligent effort, competence and performance, and in a situation of affluence might begin to  
 416 assess what is required for "the abundant life," which likely does not require all the possibilities of  
 417 our current penchant for satiation. Second, such an alternative economic practice might disrupt the  
 418 pattern of the "haves" in the Church getting more, by a practice of shared access to wealth among  
 419 "haves" and "have-nots," but a partnership between various elements in the church system which  
 420 would permit concrete gestures of justice and compassion.

421 To be sure, such a practice would be perceived as unsettling, and correctly identified as a cri-  
 422 tique of the culture assumptions surrounding us. But such a decision is not made out of any ideolog-  
 423 ical posture, but out of an evangelical understanding of what is required to be the faithful body of  
 424 Christ.

425 2. A decision on the part of the Church to explore an alternative economics is a decision to be  
 426 made by *the whole Church* in a way that would *involve and affect the whole Church*. At this point,  
 427 we are not only concerned with "clergy compensation."

428 An implication of our present economic arrangement in the Church involves a serious bias. This  
 429 is not to suggest that this has come about intentionally. But that makes the matter no less problem-  
 430 atic. Indeed, these resolutions from the General Assembly do not assume any "bad faith," but they  
 431 do point to a quite specific issue that needs to be faced in the light of the gospel. The present  
 432 arrangement tends to assume that the commitments and expectations of the Christian gospel apply  
 433 most importantly to clergy and others who earn their livelihood inside the Church while other  
 434 Church members (mostly unordained, but not totally so) are free of these restraints and expecta-  
 435 tions and are free to live their economic lives by the uncriticized values of our culture. (The reason  
 436 ordained are included in this odd accommodation is that the more one moves "up" in the Church  
 437 system, the more one is freed from such expectations, given our current practice.)

438 That the issue is much broader than simply "clergy compensations" makes the matter quite  
 439 complex. To be sure the Church and Church members can have almost no direct influence upon  
 440 compensation matters in large corporate structures. But the Church as an institution can reorder its  
 441 own house. It has an opportunity for modeling and motivating more disciplined moral discourse and  
 442 evangelical practice. And all members of the Church, wherever they receive their income, can par-  
 443 ticipate in that moral discourse and that evangelical practice.

444 Such "split-level"<sup>4</sup> Church ordering must be critiqued and overcome. It is embarrassingly remi-  
 445 niscent of scholastic notions of a religious, even monastic, order and "second class" laity which  
 446 makes its way in the world on the terms of the world. But the problem is not that it smacks of such  
 447 an ancient split. More urgent is the fact that it is a close, uncritical accommodation of the same  
 448 practice in the consumerism of our culture.

449 So the second decision required comes quickly after the first. If the Church decides to practice  
 450 an alternative economic way in its own life, then it must be an economic practice which *engages all*  
 451 *Church members*, laity and clergy, non-ordained and ordained, those who earn their livelihood  
 452 outside the Church and those who earn their livelihood inside the Church.

453 Specifically this issue is an invitation to church sessions to think in fresh ways about income  
 454 management. The issue does not concern only those who are paid by the Church, but also those who  
 455 are paid elsewhere but take the Church to be a compelling loyalty in their lives. That is, if the  
 456 Church matters, then its way of economics matters to all Church members, not just those who are  
 457 paid there. The key question for all members of the Church is how to give economic embodiment to  
 458 the conviction that we are all members one of the other. In the first instance then, our topic is not  
 459 compensation of clergy, but compensation of all Christians, i.e., how much is it faithful to earn, to  
 460 keep, to share?

461 Thus we strongly urge that the issue of compensation for clergy cannot be solved in a vacuum  
 462 apart from the issue of how all Church members are related to their own compensation, how their  
 463 compensation is related to the compensation of others in the Church. The Reformed Church tradi-  
 464 tion eschews any economic distinction between laity and clergy.

Specifically the Church may have opportunity to rethink its treatment of lay employees. Theologically it means to honor the vocation of every Christian, without any preferential treatment of the ordained. Attention to vocation can guard against two inequities, either to think clergy are special people and should be better treated than others, or to think clergy are more "spiritual" and should therefore live on less. And so our theological tradition requires that we think in a new way of needed levels of income for the abundant life which likely are not the same as the definitions given us by consumer advertising, new ways of sharing access and new ways of giving access in the partnership between haves and have nots. A theology of compensation requires all Church members to participate in the awareness that some now have not enough for the abundant life and others have what is well beyond such a need. A new alternative would break with the drive for *more* income and would focus on what is *needed* which may be more or less than that now envisioned by any specific economic unit in the Church.

3. Only when the Church has come to terms with the matter of involving all its members, can it address the matter of clergy compensation. And here we meet a third issue which requires a decision about either an imitation of cultural values, or a break with those values. The present arrangement practices, and is in principle committed to, inordinate inequality, not at all based on need but based on merit, success, luck, ability to pay, or a variety of other factors. Present arrangements suggest that a person's worth is measured by the ability to achieve a position that pays well. Such a criterion of success blurs the intrinsic value of persons and makes the matter of genuine human need less important.

The Church claims to be a different kind of community powered by a different authority. Then in quite concrete ways, the Church may think about distancing itself from all those factors by which secular culture makes decisions. The gospel characteristically does not ask about such factors, but only about need, about entitlement, about what is required for humanness. We need to face how very different is the agenda of the Church from that of secular culture. And on that decisive matter, Christians are generally agreed. The Church, if it is indeed covenantal, must take note that some clergy live at poverty levels and others receive more compensation than could possibly be needed. That incongruity is aggravated by two other factors. First, that some of those with excessive compensation tend to include clergy in non-parish positions, including theological teachers, judicatory executives and institutional administrators of various kinds.

Perhaps the inequity is especially evident in compensation for pastors of some large churches, whose compensation is reflective not of responsible stewardship, but of a secular economic orientation in the Church. Such a pattern makes an important assertion about values and priorities. And inevitably it tends to create an economic elite, involving precisely those best positioned to maintain the inequality. Second, it is clear that clergy who are not white and male suffer most from the present free-market system which imitates our culture.

The Church, if it is serious about an alternative economics, must face the difficult question of some form of equalization among its authorized leadership. One way to do that, of course, could be through a formula of equalization. But for obvious reasons of vested interest, that would evoke resistance. Perhaps another way could be found. Perhaps a more palatable approach is that the "congregational centers of wealth" in the Church could think about partnerships, so that congregations which lack resources and become less and less viable economically could count on regularized support as an act of continuing solidarity. There will be no humane sharing unless it is recognized that congregational unit cannot all bear equally the responsibility for leadership compensation.

Undoubtedly strategies for equalization are difficult. But those strategies are not impossible, if a decision can be made to break with the cultural system around us.

4. Finally, a fourth decision may be considered. We list it fourth here, though perhaps it is the first one. It is related to the other three:

- a. The Church's economics in relation to the culture's economics.
- b. The relation of the economics of ordained to nonordained, or those earning their living inside and those earning their living outside the Church.
- c. The relation among pastors and congregations and other compensating units, some of which live affluently and some of whom live in less than adequate circumstance.

The issue here concerns the *mission of the Church* in relation to *economic circumstance*. And about this, the Church has important decisions to make. We propose propositions:

- a. The Church's ordering of its own economics is important as *sign to the world*, that is, when the Church urges society to care about economic justice, its voice is muted and lacks conviction unless it can, in its own life, live out the urgings it makes of society.



- 523 b. The Church is not likely to be *free for its mission* if it is *satiated*. A satiated Church and a  
 524 satiated leadership are not likely to be well-suited spiritually for risk, courage and daring.  
 525 Indeed, it may be that satiation is the world's way to buy off the Church in our culture, and  
 526 to render it passionless and therefore innocuous. In parallel fashion, an affluent Church is  
 527 likely to have enmeshments and alliances of an economic kind which render it compromised  
 528 at the very offset. Characteristically we do not bite the hand that feeds us, especially if we  
 529 are well fed. Authority and freedom in the Church for its mission depend on the Church's  
 530 relative disengagement from the economic constraints and influences of our culture. But  
 531 such a disengagement requires a break with the expectations and yearnings of our culture.  
 532 Thus we draw to the center of our topic around the issue of *serious, communal repentance*  
 533 "from each idol that would keep us."  
 534 c. If the Church can think seriously about what is *needed* for the abundant life and not what  
 535 is *possible* for satiation, it will undoubtedly have more money for the mission as it requires  
 536 less money for maintenance. If we could be serious about sharing resources, it is most prob-  
 537 able that there is more to be *shared* by all of us than is needed by all of us. The "surplus" is  
 538 not intended in an evangelical community for greater influence for any part of the commu-  
 539 nity. Special privilege in fact breaks a sense of community. So it is that John Calvin appeals  
 540 to "whatever benefits we obtain from the Lord" as gifts to be "applied to the common good  
 541 of the church." (*Institutes*, III, p. 4.) In an evangelical community, "surplus" is available for  
 542 the mission of compassion and liberation, including a mission of compassion and liberation  
 543 with the poorest members of the church community. If these three previous decisions can  
 544 be made, it is probable that the Church can establish a new vision and settlement between  
 545 the *maintenance costs* and the mission resources available among us.  
 546 Indeed, these four decisions would lead to an economic disestablishment which would  
 547 perchance energize the Church in fresh ways to glorify God and enjoy God forever. It would permit  
 548 the Church to be genuinely a sign of the new age. It would authorize the Church in its critical  
 549 resistance to the injustice of society which militates against the enjoyment of God and precludes the  
 550 full enjoyment of God.

## 551 V. Derivative Observations

- 552 Some follow-up questions and observations occur related to these basic decisions.  
 553  
 554 1. It is clear that the first issues are not economic but theological. They concern how the  
 555 Church orders its life in obedience to the gospel. And when that is clear, a context emerges in which  
 556 economic issues can be freshly and freely considered.  
 557  
 558 These most urgent questions are not easy or obvious. This paper does not assume a foregone  
 559 conclusion. It only insists that these are now the important issues which the Church must face. We  
 560 are indeed in a new situation in the interface between Church and economics. It is a marvelous time  
 561 for rethinking the foundations, even though such rethinking is unsettling. Ours is a time when a  
 562 "bandaid" approach is likely inadequate. And therefore this paper urges a more dangerous kind of  
 563 rethinking.  
 564 2. What is proposed here is of course radical and far-reaching, even if it is not new. Any  
 565 realistic awareness in the Church would indicate that there will not be a sudden move in the direc-  
 566 tion proposed here. If the basic theological decision can be made, concrete implementation needs to  
 567 proceed in modest and viable ways. We do not need to see the whole way of strategy in order to  
 568 think about first steps.  
 569 3. The Church will need to decide what it means to be "connected." It will not do to be a  
 570 "connected Church" in the supervision of faith and morals, and at the same time to be "discon-  
 571 nected" economically. A Reformed ecclesiology cannot screen out economic dimensions of that com-  
 572 munal self-understanding. If we do indeed belong to each other in the body of Christ, that has  
 573 important ramifications for our theme.  
 574 4. A major issue is sorting out what is *needed* in relation to what is *possible*. For some in  
 575 disadvantaged situations, what is needed is more than what is possible. For many others, what is  
 576 possible is much more than what is needed. When we settle for what is possible, either as less than  
 577 needed or more than needed, we follow cultural models. Clearly the early Church was as powerful as  
 578 it was because it focused on need and not on possibility. The clue is perhaps provided by the con-  
 579 trasting narratives of Acts 3:1-10 and 5:1-11.  
 580 These two narratives set out an unavoidable contrast. In Acts 5, these two members of the



Church held back resources from the community of faith. They wanted a “private surplus.” And they were destroyed by it. In contrast, in Acts 3, the apostles are without “silver and gold.” They did not covet at all. And they were shown to have resources to give life and to heal and to restore. It makes one wonder! Likely we are always deciding again if we will be coveting folks or if we will be apostles without means but with remarkable power. In the former the disciples without gold or silver have the power to heal and restore. In the second narrative, judgment comes in the Church when the yearning for surplus begins to impinge upon the mind of the Church.

5. If, as we propose here, a break with meritocracy is undertaken, then the Church must think about *other forms of discipline* for its pastors. Presently economics is the key mode of discipline. Those who are perceived as competent are rewarded; those who are perceived as incompetent are unrewarded and perhaps unemployed. Such a practice likely is not tolerable in the Church of God. But then what are the forms of discipline, nurture and accountability which can be undertaken? Likely they come under the rubric of caring candor in which a message can be delivered directly in truthful, trustful relations, rather than indirectly by way of economic hints.

Thus, if compensation is to be done humanely, then more needs to be changed than simply the pay scale. A context of nurture and discipline must be developed if an alternative way of compensation is to make a difference.

The Church must find intentional ways to relate to clergy: counsel, reprove, chasten and up-build. If pastors were honestly and helpfully evaluated, invited to change, expected to grow, sustained in change, it would not be necessary to starve out the “incompetent” ones or to excessively reward the “effective” ones. When an adequate base of compensation is established, then it may be possible that beyond that, what is most needed and most valued is the caring of a community which takes the gospel seriously. But that requires a caring candor and rare honesty to interact in ways that are freed of economic bribery and intimidation.

6. An implication of this argument is the *break between present income and future security* (annuity). Surely the Church’s wisdom can devise an equitable way that does not imprison futures in the shapes of present inequities.

It seems inappropriate to make more concrete suggestions. At this point the main hope is that the Church might mount a conversation of new seriousness about ecclesiology and economics. The scandal of the gospel requires some dangerous thinking. This statement is ended with two convictions:

First, the Church must face that we live in a culture that is in serious trouble and that the time is short for “business as usual.” Our economic institutions *and habits* are dysfunctional and seem to be disintegrative. But the more immediate agenda is that along with this, the vision of humanness and humaneness we treasure in the gospel is being forgotten. We are at the very brink of our common destruction. Reordering a common economy may be a modest step against such brinkmanship.

Second, while the Church is intransigent in many of its parts, could actions inferred out of this radicalness have great appeal for a new generation of church members and church pastors? There is a generation before us waiting to see if we are serious. They know more than we of the older generation do (they know in their bones) about the impending disaster. And they are waiting to see if this is a way through it. We may be neither the generation of which it is said, “apart from us they should not be made perfect” (Heb. 11:40).

This paper comes out of a conviction that this is a dangerous and troublesome time for believers. But it also comes out of the conviction that this is a rare opportunity for the Church. It is a time when we have a chance to think clearly and freshly about Christ’s will for the Church. Of course, it is the case that every economic decision is burdened with sin and laden with self-interest. And this paper anticipates no simplistic or romantic conclusion.

What this paper believes passionately is that this is a time when the Spirit of Jesus Christ is at work in the Church. It is a time when serious Church communities are finding themselves genuinely free for new community, for new ways of thinking and acting.

There is, then, something of a match between the urgency of our cultural situation and the possibility for newness in the Church.

It is hoped that we do not shrink from the power of the gospel, that we are not embarrassed by its scandal, that we do not hope for ourselves less than the Spirit hopes for us.

We Church members seem very much like the “rich young ruler.” We turn away from the summons of Jesus, because we have “great possessions.” Of course we do. And we are also like Peter. Thinking on these troublesome issues leads us to the conclusion that it is impossible for us to change. Of course it is! But we are also that Church, that vacillating Church to which this lordly

639 assurance is given.

640 "With men it is impossible, but with God all things are possible" (Mark 10:27). It is possible, by  
641 the mercy of God, that newness might come even on such delicate matters as these. We live by the  
642 hope that such a deep newness is possible even for us.

643 Three texts might impinge upon the imagination of the Church in these matters:

644 "Look not only to your own interests, but also to the interests of others . . . he emptied him-  
645 self" (Phil. 2:4-7).

646 "What have you that you did not receive?" (I Cor. 4:7).

647 ". . . though he was rich, yet for your sake he became poor, so that by his poverty you might  
648 become rich" (II Cor. 8:9).

## NOTES

1. See Jan M. Lochman, *The Glory of God and the Future of Man: Theme Study Paper* (Geneva: World Alliance of Reformed Churches, 1977).
2. On "relinquishment" as an ethical norm, see Marie Augusta Neal, *A Socio-Theology of Letting Go* (New York: Paulist Press, 1977).
3. M. Douglas Meeks, "The 'Crucified God' and the Power of Liberation," *Philosophy of Religion and Theology* (AAR Seminar Papers) ed. by James Wm. McClendon, Jr. (Tallahassee, Florida: American Academy of Religion, 1974) 31-34.
4. The phrase is from Wesley C. Baker, *The Split-Level Fellowship* (Philadelphia: Westminster Press, 1965). The entire book is relevant to our subject, but see especially Chapter 2.

## STUDY TWO

### REPORT OF THE TASK FORCE ON THE UNITED PRESBYTERIAN COMPENSATION PLAN

[Adopted by the 195th General Assembly (1983)]

#### I. Introduction

9 The first steps toward a compensation policy for use throughout the church were taken by the  
10 184th General Assembly (1972), which established a committee to undertake the work. The follow-  
11 ing year the Assembly broadened the responsibilities of the committee, calling on it

12 (1) to include careful consideration of the implications of the theology of the call and to develop  
13 a theology of compensation, (2) to consider different philosophies and patterns of compensation  
14 applicable to all those who are employed by the church, (3) to suggest guidelines and criteria  
15 for the determination of adequate and equitable compensation by judicatories, congregations,  
16 and national agencies, and (4) to propose ways in which the church may move as quickly as  
17 possible to correct inequities caused by low levels of compensation of some pastors and of cer-  
18 tain others employed by the church. (*Minutes*, 1973, Part I, p. 693.)

19 The 188th General Assembly (1976) approved a compensation plan for use by presbyteries,  
20 urging them ". . . to study, consider, and adopt the United Presbyterian Compensation Plan and to  
21 implement it over a period of years. . . ." (*Minutes*, 1976, Part I, p. 702.)

22 The Vocation Agency, which was given ongoing responsibilities in connection with the plan,  
23 undertook a major review of it through the establishment in 1982 of a Task Force on the United  
24 Presbyterian Compensation Plan.

25 This task force has surveyed the extent to which the plan (or modifications of it, or similar  
26 programs) is being used in the denomination, has solicited and studied evaluations of the plan from  
27 a broad segment of the church, and has studied work in the Presbyterian Church in the United  
28 States dealing with compensation. From these and other data, the task force has compiled the fol-  
29 lowing report and the recommendations accompanying it.

30 [For a description of the Work of the Task Force and the Recommendations see Appendix B]

## II. Theological Concepts 31

The task force has carefully reviewed, and asserts its support of, the theological concepts set forth in the original report. In brief, those concepts are: 32 33

Theological considerations bear such an integral relation to the matter of compensation that reflection on biblical and ethical aspects of it must be seen as basic to the task. Considerable biblical resources are available. They are not, however, in isolated verses or passages, but rather in broad themes. 34 35 36 37 38

Worthy of special note is the biblical concern to preserve human community against the threat posed by economic inequalities and exploitation—a theme strikingly important throughout the Bible. Also bearing on the matter are such theological doctrines as creation, sin, the church, and the ministry. There can of course be no final and unchangeable theological position regarding compensation: Considerations can at most only express the best insights at a given time. First consideration must be given to those biblical passages and themes most relevant to compensation policy. 39 40 41 42 43 44 45

A. Three main doctrines appear in the Testaments on the overall subject of compensation: 46

1. The poor wage-earner must not be mistreated. Deuteronomy 24:15, Jeremiah 22:13, Malachi 3:5, and James 5:4 deal with the persistent biblical concern against defrauding or otherwise oppressing the needy employee. 47 48 49

The Old Testament, further, relates a number of attempts to achieve in the life of the covenant people some institutional arrangement for dealing with the plight of such persons. Particularly striking are the “laws of release” (Deuteronomy 15:1-18 and Leviticus 25), providing that on either seven- or fifty-year cycles, all Hebrew slaves were to be released, all debts canceled or forgotten, and all land returned to its original owner. The intention seems clearly to have been that great disparities of social status, property, and wealth should be subject to periodic equalization. 50 51 52 53 54 55

It is evident that any biblically responsible theological consideration of compensation policy must take into account this concern for equality and care for the poorer members of the community. Such doing does not require the church to adopt a system of precisely equal pay for all. It does, however, point toward a witness skeptical of vast discrepancies in compensation and toward an active and effective system of sharing total resources. 56 57 58 59 60

2.a. The *doctrine of creation* seems to bear out the idea that the natural order is the creation of God meant for responsible use and enjoyment by all humanity, undercutting any affirmation of the virtues of poverty as such. Further, the idea of creation emphasizes the notion that work is not to be regarded simply as an evil to be accepted as part of humanity’s fallen state but as a part of life that can be seen as a positive expression of the image of God in all persons. 61 62 63 64 65

2.b. A second main doctrine that must be considered is the *concept of sin*. Some are more inclined to see the chief manifestations of sin—as they apply to the matter of compensation—in terms of individual sloth, dishonesty, and lack of charity. Others look more to institutional patterns of discrimination and oppression as the major expressions of human sinfulness. 66 67 68 69

Both aspects must be taken into account. 70

2.c. A third doctrine is that of *the church as community versus the church as institution*. Some are inclined to stress the character of the church as a large-scale social institution that must conform to patterns followed by other such institutions in the land. Others stress the role of the church as a redemptive community capable of major departures from widespread social patterns. Consensus may require the admission by all that any usable policy of compensation will have to take into account both—the institutional nature of the church and its larger social setting and the church as a community of loving service sometimes opposing policies or practices of the society in which it dwells. 71 72 73 74 75 76 77 78

2.d. Mention is also called for of the relation between the *theological aspects of the call* and of compensation. Study seems to point toward rejection of the view that the clergy vocation is so distinct as to call for a system of compensation extraordinarily high or low. Instead, it points to a judgment that compensation for all church-employed persons is a part of the larger issue of economic justice. 79 80 81 82 83

B. All the above require taking into account the matter of compensation and distributive justice and the debate between meritorious and egalitarian views. Philosophers seem to be in agreement that it is just, equitable, and fair to “give persons their due.” There is no agreement, however, on whether “due” relates to that which has been earned or that which is needed. 84 85 86 87

88 1. The one-time assumption that a person's merit could be defined in terms of noble birth or  
 89 inherited excellence is unacceptable now, although lower pay for women or racial-ethnic persons  
 90 represents the lingering idea that some persons have a birthright to higher pay than others. Merit  
 91 usually is defined now in terms of what a person accomplishes, so that "to give (persons their) due"  
 92 in compensation is to pay strictly in accordance with the quantity and quality of work done.

93 2. The formula of "from each according to (their) ability, to each according to (their) needs"  
 94 has been used to describe the egalitarian concept, and the argument has been made that all ministry  
 95 is of equal importance and therefore should be equally compensated.

96 The plan follows neither of those philosophies exclusively. Rather, it seeks a middle ground  
 97 that encompasses both: ensuring the basic needs of all by setting minimum salary levels in conform-  
 98 ity with objective data and seeking the best possible ways of assessing and compensating merit.

99

100

### III. Basic Principles

101

102 The task force has also reviewed, endorsed, and refined the basic principles that underlie the  
 103 United Presbyterian Compensation Plan. Based upon the church's experience in implementing the  
 104 plan, the task force has developed some additional principles as well. The complete list follows:

105 1. Any system of compensation should be in accord with Presbyterian biblical, theological, and  
 106 ethical standards.

107 2. Any system of compensation should be feasible, fair to all, and compatible with the Presby-  
 108 terian system of government.

109 3. Any system of compensation should be applicable to all church employees.

110 4. Compensation should be based on the nature, purpose, scope, and responsibilities of the  
 111 position—the difficulty of the work to be done and its impact on the church.

112 5. An individual's salary should be related to performance on the job.

113 —Determining the level of performance should be an ongoing process.

114 —Merit increases in salary should not be confused with cost-of-living adjustments.

115 —Unpopular actions should not be equated with unsatisfactory performance.

116 6. The system of compensation should ensure all church employees a moderate standard of  
 117 living.

118 7. Adequate minimum salaries should be established for all positions.

119 —It should be kept in mind that what is adequate in one area of the country may not be so in  
 120 another.

121 8. There should be a reasonable relationship between the highest and lowest salaries paid to  
 122 all church employees.

123 9. The highest salary paid to pastors and other church professionals in a specific geographic  
 124 area should not be more than three times the lowest salary paid to such persons in that area.

125 10. To make an adequate compensation policy work requires strengthened commitment on the  
 126 part of the whole church to take responsibility for supporting ministry in the poorer and discrimi-  
 127 nated-against parts of the church family.

128 11. It is crucially important that the compensation program be accompanied by a vigorous  
 129 program of affirmative action on behalf of racial-ethnic persons and women.

130 12. Strong, competent pastoral and other professional leadership is essential to the mission of  
 131 the church, and adequate compensation is necessary to the attainment and maintenance of such  
 132 leadership.

## STUDY THREE

	133
	134
<b>THEOLOGY AND PRINCIPLES OF COMPENSATION</b>	135
[From the "Report of the Committee on Compensation Received by the 188th General Assembly and Approved for Use by the Presbyteries"]	136
	137
	138
<b>I. An Introduction</b>	139
	140
A. The Theological Foundation—An Overview	141
The Committee on Compensation does not pretend to have devised a "theology of compensa- tion." Nevertheless, theological considerations bear such an integral relation to the task that reflec- tions on the biblical and ethical aspects of it must be preliminary to any other work. Accordingly, much time has been devoted to such reflections and it is suggested that the reader will do well to approach the issue in like manner.	142 143 144 145 146
The biblical resources are considerable. It is not isolated single verses or brief passages, how- ever, in which study has been found most helpful. Rather, it has seemed more appropriate to look at broad biblical themes.	147 148 149
Among these special note was taken of the biblical concern to preserve human community against the threat posed by economic inequalities and exploitation. This theme is so strikingly im- portant throughout the Bible that it seems essential to place major emphasis upon it.	150 151 152
The committee also has explored the implications for compensation policy in such theological doctrines as those of creation, sin, the church, and the ministry. Reflections in this regard have led to the rejection of the view that the vocation of ministry is so unique as to require a system of compensation either extraordinarily high, or low. Rather, the conclusion has been reached that the compensation of all persons employed by the church largely revolves around the issue of economic justice and not exclusively around the matter of the nature of the Christian ministry.	153 154 155 156 157 158
Therefore, much attention has been given to the question of distributive justice, that is, the question of how justly to distribute the church's salary dollar. "Egalitarians" argue that everyone should receive more or less the same amount. "Meritarians" argue that differences in the job done should be reflected in differences in compensation.	159 160 161 162
Both views are morally sensitive; the conclusion reached is that the best solution lies in some balancing of the concerns reflected by each.	163 164
There of course can be no final, absolute, and unchangeable theological position regarding com- pensation. Both the theological and ethical considerations underlying a compensation plan, and the plan itself, can at most express the best insights available at a given time. The plan presented seeks to do this, but also to remain open to fresh insight.	165 166 167 168
A more thorough-going treatment of all these reflections is offered in Section II of the report.	169 170
<b>II. Theology and Principles</b>	171
	172
A. Theological and Ethical Reflections	173
Compensation is such a down-to-earth matter that one might easily suppose it had nothing to do with the abstract problems of theology and ethics. The truth, however, is quite otherwise: theo- logical and ethical questions are at the very heart of the matter. It is impossible, therefore, fully to understand the compensation plan described in Section III without also understanding the theologi- cal and ethical considerations on which it is based.	174 175 176 177 178 179
1. Basic Theological and Ethical Issues	180
It helps to begin with a clear statement of the basic issues. There are two such issues around which any compensation policy is structured. Stated abstractly, these issues are: (1) the grounds for and extent of the difference between the highest and lowest levels of compensation within the sys- tem; and (2) the general level of the system as a whole in comparison with other similar systems. Put more informally, the issues here are (1) equality <i>vs.</i> inequality; and (2) relative affluence <i>vs.</i> semi-poverty. Obviously, these are issues that provoke deep and often heated disagreement.	181 182 183 184 185 186
Some people approach the first issue such that there is no justification for wide discrepancies in pay between the highest and lowest person on the church's pay line. They may even argue that there should be no difference in pay at all, except that which can be justified by the special needs of a particular person. This egalitarian and communal approach to the issue is often countered, how-	187 188 189 190

191 ever, by persons arguing for a more individualistic achievement-oriented point of view. Such persons  
 192 contend that wide discrepancies in compensation are quite justified because they reflect genuine  
 193 differences in what people earn, differences based on the nature of the position a person holds, and  
 194 the competence with which he or she works. Besides, such a person argues, these differences result  
 195 from a system which allows great freedom to the individual employee and employer, freedom which  
 196 a more egalitarian system might restrict.

197 A similar debate, moreover, occurs over the second issue as well. Some persons are convinced  
 198 that the clergy as a highly educated professional group should be paid comparably to other such  
 199 groups, for example, lawyers or doctors. For them, the failure of the church to meet such levels of  
 200 compensation is simply inexcusably exploitative. For others, the clergy as a group of persons set  
 201 apart to perform a special function in the church ought also be set apart from the affluent material-  
 202 ism of American society. For them, a clergy without the life of semi-poverty is salt without its savor.

203 These two issues provide the agenda for theological and ethical reflections and decisions. Is  
 204 there a sound theological justification for large differences in compensation or ought the church to  
 205 move in the direction of a strict egalitarianism? Should the clergy in general be paid at the level of  
 206 professionals or at the level of the poor? Must a choice be made between the extreme on both of  
 207 these questions, or is there some responsible middle course?

208

## 209 2. Biblical Resources for Theological Reflections on Compensation

### 210 a. Passages

211 In seeking answers to these questions, first consideration must be given to those biblical  
 212 passages and themes which seem relevant to compensation policy. It appears, however, that there  
 213 are in the Bible no ready-made systems of compensation, either for employees in general or church  
 214 employees in particular. Certainly no single verse or passage of either Testament can reasonably  
 215 serve as the sole justification for an entire compensation policy, though some verses sometimes have  
 216 been implicitly presented as capable of this. More importantly, however, there are broader biblical  
 217 themes and perspectives which, though not specifying a particular policy, suggest some general  
 218 guidelines within which such a policy might well move. Before examining some of these broader  
 219 themes and perspectives, however, it may prove useful to comment on some of the specific biblical  
 220 verses most often introduced into the discussion of compensation policy.

221 The first verse which requires comment is the latter half of II Thessalonians 3:10: "If any one  
 222 will not work, let him not eat." This statement, which occurs in the context of a Pauline criticism of  
 223 idleness among the Thessalonian Christians, is occasionally cited to show that any compensation  
 224 policy must focus primarily on the disciplining of human sloth. Yet, the majority of biblical verses  
 225 which deal with matters of pay do not share the emphasis of this verse, so that one cannot accu-  
 226 rately contend that it is representative of the basic biblical view of this issue (though it does reflect  
 227 a widespread biblical concern with the virtues of diligence and vices of idleness).

228 Second, note must be taken of Acts 2:44-45 and 4:32-34, which describe that phase in the his-  
 229 tory of the early Church when "no one said that any of the things which he possessed was his own,  
 230 but they had everything in common." These passages have sometimes been cited to show that a  
 231 compensation policy in the church must depart wholly from an ordinary salary system and be based  
 232 instead on a communalistic, needs-oriented approach. Yet, it is not clear that patterns followed  
 233 when the church was a new and small entity ought necessarily to be applied to the large-scale insti-  
 234 tutions that contemporary churches have become, nor that these passages offer any detailed guid-  
 235 ance for making such an application even if we wished to do so.

236 Third, attention must be given to Luke 10:7, which contains the phrase, "the laborer is worthy  
 237 of his hire." The setting is Jesus' commissioning of the seventy in which he tells them they are  
 238 entitled to receive food and shelter from the people to whom they preach, since "the laborer is  
 239 worthy of his hire." Though this passage is sometimes cited to show that clergy wages should be  
 240 based on the worth of the work done (in the sense of a salary system based on "merit"), it actually  
 241 conveys only the notion that the minister is entitled to basic support from the people to whom he or  
 242 she ministers.

243 Fourth, I Corinthians 9:3-18, contains a discussion of Paul's refusal to accept support from the  
 244 Corinthians while he was ministering to them. Though Paul's example is sometimes cited to suggest  
 245 that the clergy should decline any support from their parishioners, the emphasis of the passage is on  
 246 the minister's right to such support and the particular reasons why Paul voluntarily decided not to  
 247 exercise that right.

248 Fifth, I Timothy 5:17, suggests that "elders who rule well be considered worthy of double honor,

especially those who labor in preaching and teaching." This passage may be cited to justify some variations in ministerial compensation, but must be employed with caution since it does not specify the nature of the double honor to be given nor the process by which those elders who rule well are to be marked out from those who do not.

Sixth, mention must be made of Matthew 25:14-30, the parable of the talents, in which a master gives his servants five, two, and one talents, respectively, to care for in his absence. Returning to find that the first two have doubled his money while the third has merely hid it, he rewards the former and rebukes the latter. To some, this parable seems to endorse a compensation system which rewards the talented and penalizes the relatively talentless. But it is clear that the parable is not primarily oriented to the question of compensation and that it would not offer the church very precise guidance even if it were. It is also important to note that "talent" in the New Testament refers only to a unit of money, not to natural ability as does our English word.

Finally, note must be taken of Matthew 20:1-16, a parable of Jesus concerning a householder who pays the same wage to laborers who work all day and those who come on the job only late in the afternoon. The grumbling of those who have labored all day is rebuked by their employer, who tells them they ought not to quarrel about his having been generous to the other workers. Inasmuch as the parable deals with compensation, it might seem to offer some direct guidance for a theology of compensation. Yet, severe problems of interpretation arise which thwart this expectation. Does the parable underscore the sanctity of individual contracts between employer and employee and forbid any comparative judgments? Does the parable imply an egalitarian approach to wages, where all those who labor in the vineyard of the Lord receive equal pay? Or is the parable in its underlying intention so far removed from the issue of compensation for church-employed workers that its relevance to this whole question is only superficial? Such questions as these render an easy and direct application of this passage impossible. In sum, then, no one of these verses or passages alone may be used as a theological basis for an entire policy of compensation. Each makes only a general and very limited contribution to it.

#### b. Themes

This, however, is not all that is to be said concerning biblical resources for a theology of compensation. In addition to such passages as those just discussed, there are broader biblical themes and perspectives which bear upon the theology of compensation. Indeed, such major themes of biblical theology as God's creation of the world, human sinfulness, redemption in Christ, and the life of the church all relate in a number of complex ways to the question at hand.

(1) The more particular theme that calls for discussion here, however, is the biblical concern for the preservation of human community in face of economic inequality and exploitation. Since questions of compensation are intricately bound up with general issues of economic justice, this particular dimension of the biblical material must be given serious consideration in any theological reflections on compensation.

A quick examination of the passages in both Testaments where the terms "hire," "wage," and the like appear will supply evidence of the particular biblical emphasis we wish to note. More often than not, the concern expressed in these passages is that the poor wage-earner not be mistreated. Deuteronomy 24:15 urges that the employer pay his hired servant for his daily labor "before the sun goes down (for he is poor, and sets his heart upon it)." Jeremiah 22:13 and following rebukes one who builds his own fortune by "making his neighbor serve him for nothing." Malachi 3:5 warns of the wrath of God against "those who oppress the hireling in his wages," while James 5:4 warns the rich: "Behold, the wages of the laborers who mowed your fields, which you kept back by fraud, cry out." These are merely a few examples of a persistent biblical concern for the underpaid, defrauded and needy wage earner.

The Bible, moreover, goes beyond appeals for individual repentance in attempting to meet the problem of economically marginal members of the community. In the Old Testament there are a number of attempts to achieve in the life of the covenant people some institutional arrangement for dealing with the plight of such persons. Particularly striking are the "laws of release," as given in Deuteronomy 15:1-18 and Leviticus 25 (see also Jeremiah 34). These laws provided that, on either a seven-year or a fifty-year cycle, all Hebrew slaves were to be released, all debts were to be cancelled and forgotten, and all land was to be returned to its original owner. Their intention seems clearly to have been that great disparities of social status, property and wealth be subject to periodic equalization. Paul, for example, sought to raise funds in one congregation to relieve the needs of the poor in another, an enterprise he once explained in these words: "I do not mean that others should be eased

307 and you burdened, but that as a matter of equality your abundance at the present time should  
 308 supply their want, so that their abundance may supply your want, that there may be equality" (II  
 309 Corinthians 8:13-14).

310 It is evident then that any biblically responsible theology of compensation and compensation  
 311 policy must take into account this concern for equality and care for the poorer members of the  
 312 community. So doing does not require the church to adopt a system of precisely equal pay for all  
 313 church employed persons or for all ordained professionals in the church. It does seem, however, that  
 314 fidelity toward the biblical witness does require us to adopt a certain measure of skepticism regard-  
 315 ing the necessity for vast discrepancies in compensation, to develop a more active and effective  
 316 system of sharing our total resources for the sake of the more poorly compensated employees of the  
 317 church, and to insist that certain very definite limits should be set on the range of acceptable com-  
 318 pensation within the church.

319 Beyond this general concern for equalization, there are, as we have said, a number of biblical  
 320 and theological themes which pertain to the issue of compensation within the church. While it is not  
 321 possible to pursue all these themes to their conclusion in this report, mentioning a few important  
 322 themes may serve to indicate the complex range of ideas and concerns which must find a place  
 323 within a full theology of compensation.

324 (2) One concept of clear importance for compensation questions is the doctrine of creation.  
 325 This doctrine seems to bear upon compensation in at least two ways. First, the idea that the natural  
 326 order is the creation of God which may be responsibly used and enjoyed by humanity seems to us to  
 327 undercut any ascetic affirmation of the virtues of poverty as such. This fact contributes to our un-  
 328 willingness to accept or justify low levels of pay for church employed workers. Also, the idea of  
 329 creation underscores the notion that work is not to be regarded simply as an evil to be accepted as  
 330 part of humanity's fallen state, but can also be seen as in its fundamental character a positive  
 331 expression of the image of God in persons.

332 (3) Another main doctrine which must affect our deliberation is the concept of sin. We often  
 333 find a certain difference of emphasis among those who apply this concept to questions of compensa-  
 334 tion. Some of us are more inclined to see the main manifestations of sin in individual sloth, dishon-  
 335 esty, and lack of charity. Others look more to institutional patterns of discrimination and oppres-  
 336 sion as the major expressions of human sinfulness. Both aspects presumably must be taken into  
 337 account in any adequate compensation policy.

338 (4) Another theme which very much affects our compensation policy is that of the church as a  
 339 community versus the church as an institution. Some of us are inclined to stress the character of the  
 340 church as a large-scale social institution which must inimitably conform to patterns characteristic of  
 341 other such institutions in American society. Others of us stress the role of the church as a redemp-  
 342 tive community capable of major departures from widespread social patterns. Perhaps we can  
 343 achieve a consensus on this issue by saying that any realistic policy of compensation must take into  
 344 account the institutional nature of the church and its larger social setting, yet not so much so that it  
 345 loses all concern for the reality of the church as a community of service.

346 (5) Finally, mention must be made of the relation between the theology of the call and the  
 347 theology of compensation. Generally, it seems wise to reject those views which see the vocation of  
 348 clergypersons as being so distinct as to require an utterly unique system of compensation on ex-  
 349 traordinarily high or low levels of compensation. It is our judgment that the question of compensa-  
 350 tion for all church employed persons is largely an instance of the larger issues of economic justice  
 351 and not an utterly distinctive question about the nature of the Christian ministry.

352

### 353 3. Compensation and the Question of Distributive Justice

354

355 This last point, if correct, means that we must take seriously, in addition to the biblical and  
 356 theological themes and doctrines just discussed, the history of philosophical reflection on the ques-  
 357 tion of distributive justice. Indeed, we also are required to do this by the language of the Form of  
 358 Government itself. This latter, Chapter XX, Section 13(3) (50.133), enjoins each congregation to  
 359 pledge itself at the installation of a pastor to "pay him fairly." The key term "fair" is not a word  
 360 that has come from our biblical or theological traditions. It is, instead, like the related term "equita-  
 361 ble," a word that has been used to express a more widely shared human view regarding what is just  
 362 or right in certain situations, and it is a term that has been used more by the philosophers (and  
 363 other secular writers) than the theologians. We are therefore obliged to bring some of the philosoph-  
 364 ical material within the range of our theology of compensation.



The main issue which requires direct consideration here is the centuries old debate between meritarian and egalitarian views of the nature of distributive justice. While most philosophers seem to have agreed that in distributing the various resources and service which society affords (e.g., through compensation for work), it is just or equitable or fair to "give a person his due," they have disagreed rather sharply over whether his due is what he somehow merits or what he seems to need.

a. The *meritarian* view has had a long and venerable history reaching from Plato and Aristotle to contemporary American society, though the concept of merit itself has undergone considerable change over time. In the ancient world, a person's merit was sometimes defined in terms of his noble birth or some inherited excellence, an idea which seems very alien to us now (although lower pay units for women and minority persons represent the lingering idea that some people have a birthright to higher pay than others). In the modern period, merit is usually defined in terms of what a person achieves. Thus, it is in many ways a common sense notion in our society that "to give a person his due" in the area of compensation is to pay him strictly in accordance with the amount and quality of the work he has done.

b. Meanwhile, the *egalitarian* tradition, which had a somewhat less distinguished philosophical lineage in the ancient world, has fared better across the world in modern times. The formula "from each according to his ability, to each according to his needs" has been one of the slogans of many of the democratic and revolutionary movements of recent centuries and has made an impact on even such strongly meritarian societies as our own.

Although there have been numerous attempts somehow to harmonize or integrate these two differing traditions, the opposition in principle between them has remained sharp. Yet there also appears to be no simple or universally acceptable way of resolving this argument. Since both the meritarian and the egalitarian traditions represent morally sensitive viewpoints and since each has important contributions to make to an adequate compensation policy, the wisest course seems to lie in the formulation of a carefully balanced policy which draws selectively from both traditions.

In seeking to achieve such a balance, certain considerations must be carefully taken into account. With respect to the egalitarian tradition, it is the difficulty involved in specifying need which is one of the fundamental problems of this approach. A needs-oriented approach could easily create a paternalistic compensation bureaucracy which would be a burden to everyone. It seems best, then, to avoid a needs-oriented system and to insure that the basic needs of all church employed professionals and their families be met by setting the minimum salary level in conformity with objective data, supplied by the Bureau of Labor Statistics concerning the compensation required to maintain a moderate level of living. It is also worth noting that a purely egalitarian approach might reduce the effectiveness of the church's ministry as a whole by removing certain incentives which serve to attract talented persons to more demanding jobs and that it might create strain between the pastor and the congregation by placing the former under a pay system utterly unlike the latter's.

In considering the meritarian tradition, it is the difficulty of honestly rewarding merit in actual practice which seems to be the basic problem with this tradition. Is it really possible to be sure that one job in the church is more significant or weighty than another? Or to know that one church employee is performing his or her job more effectively than others? There is a danger that any system of supposed merit might in fact turn out to be biased in favor of the already affluent, prestigious, and powerful, and applied with discrimination against minority persons and women. It might also be, however, that real strides could be made toward a significant increase in fairness in assessing merit, though perfection no doubt would escape us. Certainly any merit-oriented system would need to be coupled with a vigorous affirmative action program to guarantee that consideration of merit did not become a disguise for continued discrimination.

## B. Basic Principles

These considerations have made clear the need for a complex and carefully balanced approach to compensation policy. The outline of such an approach can be stated in a series of basic principles, each of which is in some way grounded in the biblical, theological, and philosophical concepts discussed above. These principles were presented to and adopted by the 186th General Assembly (1974). The compensation plan described in this report is based upon, and seeks to be faithful to, them. They are as follows:

(1) Compensation should be related to 'job weight,' that is, to the training required to occupy a given position, the inherent difficulty of the position itself, and the impact of the position on the work of the church. To make this feature genuinely meritarian in character, it is important that job

423 weighting be done by a careful process of factoring.

424 (2) Compensation should be related to performance, that is, to the quality of work done by  
425 the occupant of a particular position. To make this feature of our compensation policy truly mer-  
426 itarian, compensation given on the basis of performance must be related to a careful process of  
427 performance review. The committee advises, however, that this matter be approached with caution  
428 lest we overemphasize competitive zeal or suggest in any way that unpopular actions by clergypers-  
429 sons are necessarily to be equated with unsatisfactory performance or made the occasion for  
430 financial penalty.

431 (3) To guarantee that a merit oriented system based on the first two principles not serve to  
432 create excessive difference between the highest and lowest paid clergypersons, there must be a fixed  
433 formula which keeps the maximum permissible salary within the church in a proportionate relation-  
434 ship to the minimum permissible salary.

435 (4) Our system of compensation should serve neither to impose upon the clergy an involuntary  
436 poverty nor to guarantee to the clergy the level of pay characteristic of the more highly paid profes-  
437 sions, but should rather serve to insure to all the clergy a moderate standard of living.

438 (5) Since there remains imbedded in our compensation practices a legacy of discrimination  
439 against minority persons and women, it is crucially important that the development of a revised  
440 compensation program be accompanied by a vigorous program of affirmative action in which all  
441 employees of the church including minorities and women be compensated according to these  
442 principles.

443 (6) The implementation of a truly adequate compensation policy will require a strengthened  
444 commitment in congregations and judicatories to the support of the church's whole ministry. This  
445 will require that the wealthier segments of the church take a new degree of responsibility for sup-  
446 porting the ministry of the poorer and discriminated against sections of the church. This may also  
447 require presbyteries to be alert to other forms of ministerial compensation, such as secular employ-  
448 ment, team ministries in larger parish structures and other emerging forms of ministry. (*Minutes*,  
449 1974, Part I, pp. 873-874.)

## APPENDIX A

[Part of the Report given in STUDY ONE]

### A-1 BACKGROUND

In 1980, the General Assembly of the Presbyterian Church, U.S. instructed the Mission Board to:

“ . . . develop a Theology of Compensation for pastors, with particular attention to current disparities in salaries and retirement benefits, and the financial problems this poses for free movement of pastors from large to small churches. (*Minutes* p. 116)

This instruction was the answer to a resolution calling for “equalization of the retirement plan” (Resolution 80-7).

In 1981, an overture from Middle Tennessee Presbytery called for the Board of Annuities and Relief to: “ . . . study how much restructure of the payment plan of retirement benefits . . . contributed by the Church as employer, together with the earnings on this portion (could) be computed on the basis of time of service rather than on salary earned.” (Overture 81-22, 1981 *Minutes* p. 58-9)

That overture was referred to the Theology of Compensation study.

The resolution, “to equalize the pension plan,” which provoked this study, illustrates an increasing press in and out of the Church toward less disparity in compensation, especially pension disparity. The disastrous effects of inflation on fixed incomes has helped to stimulate ethical inquiries about how to share fairly the burdens of inflation. What is raised in a fresh way for the Church is the criteria for economic decision-making. How can the Church develop criteria to order its own economic life that will do justice for its own employees, both for justice's sake and for the sake of credibly representing the gospel to the world?

The churches have been curiously negligent about their own distinct criteria for compensating employees. Protestants have been more likely to study the actual remunerations than criteria for establishing remuneration. Criteria tend to be taken for granted and imitate the values of the American work place. Presbyterians like most Protestants, have pressed for appropriate or fair compensation for pastors, usually by adopting minimums and providing for allowances.

The National Council of Churches conducted remuneration studies in 1969 and again in 1974. In 1974, four-fifths (4/5) of the pastors felt their salaries were too low “when compared to comparably educated professionals.” Clergy then stressed responsibility, competence, and size of congregation as criteria for setting salaries. Need, age, and compensation of colleagues ranked very low. In short, clergy seemed to use the values of the American work place.

In 1978, the Office of Professional Development also conducted a remuneration study. Although the response was not sufficient to present a denominational profile, among twelve (12) of the reporting presbyteries there was a discrepancy of ratios in allowances of 9.7 times the smallest and total compensation of 3 times the smallest. Criteria for deciding about compensation were not solicited. Minimal data on lay employees showed that some sextons, secretaries, musicians, choir directors, finance directors, and nursery workers were paid less than minimum wage.

The most comprehensive contemporary report on Presbyterian clergy was received in 1974, when the General Assembly adopted a report on the Church's use of Her Ordained Ministry. (*Minutes* p. 343.) In the financial section of the report, a \$14,000.00 minimum total package was recommended and annual cost of living increase urged. Four (4) criteria were briefly stated for deciding the pastor's salary: adequacy; amount of education; merit; experience. The report also urged subsidies of small churches, so that their pastors would not always suffer minimums. (If that minimum has been applied and has kept up with the inflation rate, the minimum would now be \$26,320.00). Again, values of the American work place seem to have been taken for granted.

From 1974 to 1981, the Office of Professional Development has been sending helps to presbyteries in establishing and adjusting compensation. One of the resources has been Harold Sedrel's “Pastors' Salary Guide” which states the principles for decision-making. Those principles stem from “fair and equitable compensation from the members of the church where they work, which is based on ‘the responsibility of the job’ and ‘the economic conditions of the community and the income pattern of the congregation.’” The ability of the congregations to pay is thus added to the criteria for decision-making.

The pressures of inflation and the decline of real income will continue to press the Church as to whether pastors' compensation is adequate. At the same time, the Church is aware of some realities that were not so focused in 1974.

First, we are more aware of some global realities such as hunger, poverty, and the interdependence of economics. Pastors' salaries, like many American salaries, look very different when compared to Third World incomes than compared to American professionals' incomes. Definition of “necessities” is no longer clear or standard. “Small is beautiful” and “simple living” have become alternative visions to comfortable living and increasing financial rewards for education, merit, and tenure. How can the Church incorporate these visions into its own employment practices?

Second, we are more aware of the implications of the economic pressures on a denomination of small churches, and an abundance of seminary graduates. Median church membership is 124. Since 1978 more minis-

ters are serving churches of 50 members or less. Ed Grider of Atlanta Presbytery projects trends that include these realities:

"3,000 churches which are now below 250 members will not be able to support a full-time minister and any significant indebtedness. 2,000 churches will use 90% of their *total income* to support a minister. 1,000 will not afford a full-time minister. A 'floor' of 300 members will be the minimum congregation size required for self-support with a full-time minister and without significant debt. (Economics and Church Ministries: Trends from 1979-1990)."

Individual pastors who are committed to a ministry in a small church are caught by the minimum compensation policies of presbyteries, the financial reward system in which larger churches pay larger compensations and therefore, pension contributions. One pastor refused the increase to a new minimum because 40 percent of the congregation is unemployed. (That same congregation has the 2nd largest per capita benevolence budget in the Presbytery). Some pastors are able and willing to receive smaller salaries but are concerned about the implications of smaller salaries on their pensions.

The pension concern is one of the reasons there were only eight pastors' Personal Information Forms filed in Atlanta in 1982 that had specified the desire to serve a smaller congregation than their present pastorate. Pastors who do move to smaller congregations with smaller salaries usually absorb the financial cost of such a decision. One pastor, for example, has taken a \$5,000 cut in salary in each of the last two moves. Should pastors assume all of the financial responsibilities for those choices? How can the Church provide fair compensation for pastors and also maintain viable congregations?

Third, we are more aware of the ministry of lay employees. Various Assemblies have adopted public policies for providing an adequate minimum income or opportunity to earn one. Assemblies have also affirmed the standard of equitable distribution of health services. (*The General Assembly Speaks on Economic Justice, General Assembly Mission Board, 1981*, pp. 24, 26). Those same public standards should be applicable to our own employees, but sometimes they are not. Many lay employees receive modest incomes. Some are below minimum wage scales established by the Federal Government. Too few are protected by insurance or annuities. Virtually none has recourse for redress of grievance. How can a just compensation address the needs of the laity who often are the poor and the powerless in our midst?

Fourth, we are more aware of the need for theological reflection for economic decision-making. Even the report on the Church's use of Her Ordained Ministry (1974) is theologically silent. Now a shrinking world has helped us to re-examine ancient truths. The Council on Theology and Culture's study of Christian Faith and Economics is just one illustration of the emergence of such pointed theological inquiry. It is "in the air." How can the Church mobilize that theological inquiry and moral discourse helpfully in the context of this historical situation?

Even as we stretch our awareness of the new, we also cling to some old values or habits. One of those is the congregation's desire for "our pastor." As recently as 1980, a Hartford study demonstrated that when churches are economically squeezed, they hold onto "their" pastor as the priority of budget building. Awareness of the old, the new and the international was present in the 1978 Mission Consultation which emphasized economic justice as a priority of mission. Several Mission Objectives adopted by the 1980 Assembly led to specific strategies for church employees which were adopted by the Mission Board:

- mandatory retirement and insurance benefits for all church employees.
- address structural causes of injustice in church's employment policies.
- Mission Board to simplify and make just its own institutional lifestyle including minimum and maximum salaries.
- work for greater justice in (compensation) for all church related employees including: Criteria for minimum and maximum salaries; deliberate about standard salaries; mandatory retirement and insurance; equitable compensation for educators.

This Theology of Compensation Study is placed in an historical moment when obligations for justice, and inherited tradition of American work place values, the stress of inflation, and the awareness of some economic, international, and ecclesiastical realities confront each other with contradictions and ambiguities. We are pressed once again to the roots of our faith for clues as to what justice means *now*.

## CURRENT SITUATION

### *Compensation of PCUS Employees*

According to the Board of Annuities and Relief, there are 4,198 members of the Ministers' Annuity Fund, which represents about three-fourths of the clergy. The median compensation is \$21,376.00. They represent an approximate range of compensation from \$64,736, to \$3,841. The ratio of the highest is 16.8% times higher than the lowest. This does not disclose all actual compensations, however. Churches may establish fringe benefits for pastors that are not recorded such as cars and additional annuities.

The pension situation for the Ministers' Annuity Fund is this: 1,797 persons, 1,024 of whom are ministers, receive pension payments that range from \$1,374 to \$4.24. The average payment is \$376.87 a month. The lowest pension payments are not meaningful data, however, because those include pastors who have been in ministry for a very short time, and may have other pensions. A more meaningful datum is that about 180 payments, or 10 percent, receive subsidy from the Joy Gift to bring their pensions up to the minimum \$7,500

for individuals and \$10,800 for couples. Those persons clearly do not have other pensions for adequate compensatory incomes. If they did, they would be ineligible for the Joy Gift.

The compensation situation at the Mission Board is this: most program staff is elected. A majority of these staff persons are clergy. Appointed staff usually are laity who provide a wide range of business and clerical skills. There are different ranges of salaries for elected and for appointed staff just as there are different ranges of salary in the Church-at-large for clergy and laity.

Mission Board elected staff salaries range from \$18,233.00 to \$34,850.00. The median salary is \$23,160.00. Mission Board appointed staff range from \$10,066.00 to \$23,050.00. The median salary is \$14,160.00. The Mission Board has a grading system from 10-22. Each grade carries a salary range. Elected staff are all in grades 20-22. Actual grades in use are from 13 to 22. One of the reasons for not using the lower grades is that there has been a trend over the past four (4) years to increase salaries of the lower paid employees more than the highest paid employees. Criteria for setting an employee in a particular grade include: Education, supervision, responsibilities, and complexity of tasks. Values of the American work place seem to be operative at the Mission Board also.

In the Presbyteries, at least sixty-three (63) percent of those courts have a minimum compensation policy. The Book of Church Order requires that terms of call shall meet or exceed minimum requirements of Presbytery (25-2), but does not mandate Presbyteries to establish those minimums. In 1982 minimum compensation in dollars ranged from \$15,900.00 to \$28,482.00. Of 27 presbyteries, 45 percent (13) have explicit criteria for decision-making. Two use Scripture as support for earning adequate or equitable salaries "by the Gospel." One appeals to the Reformed tradition on ministry as both servanthood and professional competence. One states no discrimination on the basis of marital status, family size, working spouse, sex, size or number of churches. Two espouse a principle of community in that all congregations' resources should be available to support the witness of the body or every congregation in presbytery. For eight, minimums are based on incomes of the community whether the community is defined as county, presbytery or congregation. Their cumulative criteria include: Need, ability to pay, and inflation realities. All have some kind of financial reward system. What is rewarded is: experience, education, status, effectiveness, level of responsibility. One is experimenting with a point system tied to priorities at a maximum of \$1,000.00 per point for sixty (60) priority functions. There emerges a maximum compensation, therefore, of \$60,000.00.

The disparities in compensation and the financial reward systems tend to indicate values of the American work place and view the ministry as a professional function. Viewed in this way, clergy is losing ground. The income of American Protestant clergy has declined in comparison with similar professions. For example, according to data produced by Leadership Magazine, Spring, 1981, clergy compensation was once comparable to superintendent of schools. In the 1940's it was comparable to principals and in the 1970's to teachers. There are other values operative in decision-making, however: presbyteries are stating Biblical-theological bases for decision-making. Some have developed models that are committed to more sharing. For example, at least two (2) presbyteries employ ministers in a dual function of pastor and presbytery staff. At least two (2) presbyteries have guidelines for permanent part-time employees. And one (1) acknowledges the limits of upward mobility by implying a maximum compensation.

As the Church engages ways of coping fairly with current economic realities there is another part of our tradition available as a resource and model. That is the compensation of missionaries. In the 1950's and early '60's missionaries regardless of function received essentially the same compensation. They received a modest cash allowance for food and clothes. All other needs were provided by the denomination. Their total compensation was based on need. From the mid-1960's changes were introduced. For example, child allowances were abolished, partly because of awareness of the population explosion; the church did not want to reward large families. Other changes in missionary policy resulted from the women's movement, which caused the Church to view missionaries as individuals with specific assignments. It is no longer mandatory that both persons in a couple be appointed, and when they are, they may receive separate payments. There is still debate about the spouse's keeping income earned in another job. That debate emerges at a time when there is an increase in the number of clergy spouses pursuing separate careers in the United States. Changing definitions of the family and resistance to paternalism from the home office are complicating the criteria for compensation. Nevertheless, the principle of equal purchasing power dominates the method of compensating missionaries. A hierarchy of professional function is not reflected in the pay scale; physicians and secretaries receive comparable remuneration, which is one way of expressing their value to the Christian community.

#### *United Presbyterian Compensation Plan and Pension Policy*

The UPC compensation plan was approved in 1976. It is now under review and recommended changes will be forthcoming by 1984. Its theological perspective emphasizes the need "to preserve human community against the threat posed by economic inequalities and exploitation" (p.6). The guidelines of the plan seek to balance "equalitarian" and "meritarian" ideals (*Ibid.*). The principles (criteria) call for: The weight of the job, performance, proportionate relationship between minimum and maximum salaries, a moderate standard of living, affirmative action, and increased responsibility of wealthier parts of the Church to support the ministry of the poorer parts of the Church (p. 11).

The Pension Plan provides two minimum pension benefits designed to offset the impact of low earnings.

The first is \$125.00 per year for each year of service *prior to 1980*. This is equivalent to a pension based upon an average effective salary of \$10,000.00 per year. Whenever an apportionment (good experience credits) is granted, the minimum pension is increased by the same percentage. The second is an alternative pension for each year of service *beginning with 1980*. It is based upon the average of the median for the five years preceding retirement. The regular formula (of 1 ¼ % of salary) is then applied to this average to determine the pension. As of August, 1982, the five-year average of the median salaries was \$18,411.00. Apportionments (good experience credits) do not apply to the alternate pension because the impact of inflation is recognized in the five-year final average. It is important to recognize, however, that *all* pensions by whatever means they are initially determined are adjusted by the full percentage of all subsequent apportionments.

In addition, the Assistance Program of the Board provided a supplement to inadequate pensions. The supplement establishes a "target income," currently \$11,000.00 for married couples and \$7,000.00 for single retirees who have twenty or more years of service with the Church. The "target income" is proportionately reduced for those with less than twenty but at least ten years of service. This "target income" is based upon data on incomes of retired persons as provided by the Bureau of Labor Statistics. This supplement program is supported by the Annual Christmas (Joy) Offering.

PCUS also has a floor (of \$7,500 and \$10,800) and pays for it through an annual offering. Unlike UPC, the PCUS Plan does not have ways of supplementing low incomes through the plan itself. In effect, the higher paid UPC ministers are contributing to some extent to the pensions of the lower paid ministers. Both Churches use the same formula (1/80 of career average annual salary times the number of years participation). Unlike PCUS, however, the UPC Plan establishes a minimum participation basis. Secondly, the UPC Plan is mandatory; PCUS is voluntary.

#### *Seventh Year Study: Office of Review and Evaluation*

The office received 1,000 responses to a questionnaire on belief and practice. For the question "In what ways do you witness to your faith?" respondents were to check any applicable answers on a list of 10. One option, "intentional economic lifestyle change" was checked by 38 percent of all respondents; 45 percent of the pastors marked it.

The question was designed to show the extent to which church members had plans for deliberate personal economic changes and to what extent these changes are seen as expressions of faith. Some might not have noticed the word "intentional" or might have thought it meant changes that had to be made rather than changes that were planned. Even so, there seems to be significant awareness and activity among church members about these economic issues.

Further, it is interesting to compare these results with responses from the Presbyterian Panel for the Theology of Stewardship paper. In that paper, 70 percent of all respondents and 80 percent of the pastors reported taking some action in the past two years to modify their families' lifestyles or use of resources. But only 10 percent of the pastors reported participating in contract groups for persons interested in changing lifestyles. (cf. *Report of the Task Force on Theology of Stewardship*, p. 17)

The question by the Office of Review and Evaluation was specifically economic; changes of this sort are more difficult for people to make but can be more precisely measured than some other lifestyle changes. The data appear reasonable, since economic alterations represent about half of all the lifestyle changes. We can see that there is a large number of people working seriously but often separately to make their economic practices give evidence of their faith.

#### *Feedback*

The feedback audience included: Originators of the 1980 resolutions; presbyteries that brought related overtures to the 1981 Assembly, presbytery executives who were known to have put particular effort into compensation plans; individuals who moved to smaller churches; members of two theological faculties; a ministers' continuing education group; Division Directors; UPCUSA colleagues, and committees and commissions who requested the Brueggeman paper. (Committee on Women's Concerns, Council on Church and Race, Church Employed Women, and Theology and Culture did.) Additionally, the synod communicators were asked to solicit responses from at least three sources in their region.

Altogether ninety (90) persons were asked to respond. Forty-nine (49) did. Nine (9) are laity and thirty-eight (38) clergy; four (4) UPC colleagues; ten (10) are middle court staff; five (5) are on seminary faculties. Seven (7) represent commissions. Six (6) reported that they consulted with colleagues, usually commissions, before responding.

It was hoped that through the feedback process Church members could contribute to the recommendations in this report, and there were some general recommendations from about half the respondents. There were eight (8) recommendations for more study by the Church. Of ten (10) proposals for more equity in the Pension Plan, nine (9) wanted complete equalization. There was also a response for more equity in income. Nine (9) suggestions moved toward salaries based on need with some adjustments and the richer churches helping the poorer. Two (2) suggested maximum salaries. On the other hand, five (5) said we needed a median approach more like the present system and two (2) called for adopting the UP Plan. A solution of increased giving was named twice as was the idea of publishing compensation packages in presbyteries. Suggestions ranged from "socialize the whole system" to "you can't do anything about it." Respondents were very helpful in exploring

theological issues. The unanticipated benefit of sharing the theological paper was to help people engage in thoughtful theological and ethical inquiry and conversation. For example, several reported they now have more awareness of the theological implications of compensation decisions. One conceded discomfort but also the willingness to engage the multiple issues surrounding the sharing of resources. Nearly all expressed appreciation of Dr. Brueggemann's work.

#### *Denominations and Ecumenical Projects*

Sixteen (16) denominations and the National Council of Churches were surveyed. Some of that information has already been displayed in the previous sections. Most of the denominations responded by saying something like: "Great! Let us know what you will do about this." Current practices in most denominations parallel our own. There are two exceptions. The denominational staff of the Moravian Church has a flat salary structure and pension benefits are based on length of service. The United Church of Canada has affirmed in principle moving toward a salary parity plan which means equal purchasing power of church employees. The Church will report steps toward implementation in 1983. Finally, the Alban Institute's project on "Doing More With Less" is complete but not published. It should be available by the time the Assemblies meet.

#### *UPC Attitudes Towards Pensions and Benefits*

A survey conducted by the Board of Pensions reveals that "the members of the Plan are more satisfied with the pension and benefits in general than they are with the present method of calculating pensions benefits." The most support (at least 59% strongly favor or favor) is for, "those who served the Church on low salaries should receive pensions which are a higher percentage of salary than those who received higher salaries." PCUS respondents are similar in one respect: there was interest in less disparity.

The Mission Board decided that a theological *policy* paper was premature. Reward systems for pastors are so varied and so often the result of history and habit, that the whole Church needs to participate in a prayerful and thoughtful reflection of whether any economic rewards should be used and if so which ones? Tenure? Loyalty? Effectiveness? Number of parishioners? Further, there is the recognition of complexity of partners who make those decisions: pastors, congregations, and Presbyteries. And whose ability to pay should be taken into account? Congregations? Presbyteries? The Denomination? It was agreed that the Brueggemann paper should circulate in the Church as a response. At the same time, there are some grievances and concerns that need immediate attention. The theme of those concerns is movement toward less disparity while recognizing compromises are inevitable.

### RECOMMENDATIONS

1. The General Assembly recommends that the Board of Annuities and Relief develop by 1989 a new pension plan that would:

- provide a viable minimum pension income for all participants in the Ministers' Annuity Fund paid for by the Plan itself,
- provide larger pension incomes for lower paid ministers and explore ways of accomplishing this such as giving greater weight in a formula to length of service or providing a larger percentage of salary for lower paid ministers,
- report alternative ways of implementing the plan to an intervening Assembly including initial capital funds costs for implementing such a Plan.

The advantages to this proposal are:

- More annuitants would be guaranteed a minimum income independently of charitable donations through the Joy Gift. They would be entitled to a minimum pension based on their working contribution to the Church and fewer would have to experience the stress of reporting other income in order to receive that pension.
- There would be a move toward more parity of presbyters, incentives for pastors to move to small churches, and a witness to the values of community and our common ministry.

Costs for developing a Plan would be between \$10,000 and \$15,000. In the event of Reunion, a new Plan would have to be developed. This recommendation would then become a negotiating position as the new Plan is developed.

2. The General Assembly instructs the Mission Board to:

- provide resources for presbyteries and sessions to study and reflect on a theology of compensation using, in part, the Brueggemann paper and a self-study guide for their own compensation history.

The advantage to this proposal is:

- to help presbyteries and sessions examine their own practices theologically and provoke a body of theological reflections from the Church.

3. The General Assembly instructs the Mission Board to:

- report to the 1986 General Assembly the results of the theological reflections initiated by recommendations and make any additional recommendations emerging therefrom.

4. The General Assembly urges Presbyteries to:

- increase opportunities for personal financial planning and continue to invite the Board of Annuities and Relief staff as a resource.

- The advantages of this proposal are:
- to encourage church employees to take responsibility for their financial affairs and give them access to excellent counsel.
5. The General Assembly urges Presbyteries to:
- make membership in the Ministers' Annuity Fund and Group Life Insurance Plan a mandatory part of the call, and review annually these terms of call.
- The advantages of this proposal are:
- to assure ministers of access to retirement support and health care and further implement the stance of the Church.
  - to help lay employees gain access to group insurance, because when ministers participate in group insurance, all eligible employees must also participate. (A waiver still may be signed under specified conditions.)
  - to help the Presbyteries evaluate the effectiveness of the implications of terms of call on lay employees through the annual review process.
6. The General Assembly urges Presbyteries to:
- establish minimum salaries for all pastors,
  - establish a maximum salary for all pastors based on the principle of no pastor receiving more than three times the minimum salary established by the Presbytery.
- The advantage to this proposal is:
- to take a modest step toward a witness to the parity of Presbyters and the limits of both resources and needs.
7. The General Assembly recommends that the Board of Annuities and Relief:
- reduce the eligibility requirement for participation in the Group Life Major Medical Plan for thirty hours a week to twenty hours a week for permanent employees.
- The advantages to this proposal are:
- It would provide access to health care for permanent part-time employees, including pastors.
  - It would be a modest step toward encouraging part-time work as a model of sharing the Church's resources in a time of increasing unemployment, a log-jam of ministers and the awareness of needs for parenting.
  - It would encourage the pastoring of smaller churches who increasingly cannot afford full-time ministers.
- A disadvantage might be that those same smaller churches would consider insurance payments prohibitive especially when they must also pay for part-time lay personnel. On the other hand, increased membership would reduce the overall cost to all members. There are no hard data to determine what the responses of the churches might be. The UPC Plan uses a 20 hour week eligibility based on Federal law. (The Employees Retirement Insurance Security Act.)
8. For similar reasons the General Assembly asks its agencies and other employing agencies to consider:
- providing alternate work patterns, such as:
    - permanent part-time employment,
    - a flex-time work schedule,
    - a two, three, or four day work week for a portion of their employees,
    - job sharing,
    - cluster contracts.
9. The General Assembly instructs the Co-Stated Clerks to:
- print the report and the study paper and send it to all ministers, certified educators, and clerks of sessions.

## A-2 HISTORY OF REPORT

The Theology of Compensation referral was assigned to the Office of Professional Development without accompanying funds. The objective of the task, therefore, was to provide excellent theological reflection and participation by the Church, at modest expense. The process designed to accomplish the task was:

1. Contract with Professor Walter Brueggemann to write a theological paper.
2. Submit that paper to the Division of Court Partnership Services and other specified audiences for feedback. Three specific questions were asked as part of the solicited feedback:
  - a. What is your response to this theology?
  - b. What are the compensation practice(s) in your church or presbytery or institution?
  - c. What recommendations do you propose that would make *your* theology and *your* practice more congruent?
3. As the theological paper is circulated:
  - a. Consult with the Board of Annuities and Relief
  - b. Solicit data from other denominations and ecumenical projects.

The expectation was that a feedback audience would be analogous to a task force or committee with more



participation and less cost. Similarly most data could be compiled from already available documents. Information from Presbyteries, for example, was already recorded on Church Information Forms or correspondence. Some additional information was received from Presbyteries as part of their response as a feedback audience.

A draft of Dr. Brueggemann's paper was presented to the January, 1982, meeting of the Division of Court Partnership Services. The Division wanted the paper to be rewritten before sending it out to the Church for feedback. The paper was rewritten and distributed. Meanwhile, staff consulted with Cecil Hannaford as a resource from the staff of the Board of Annuities and Relief and solicited data from other denominations and ecumenical centers. Additionally, staff consulted with some other people who were seen as potential partners. One such person was Jorge Lara-Braud, staff to the Council on Theology and Culture. CPS Staff reviewed one of the Theology and Culture papers which is part of the study on Christian Faith and Economics, and which is to be reported to the 1984 General Assembly. The Council on Theology and Culture previewed the Brueggemann paper. Ways of connecting the two projects were explored. It was decided that linkages would be premature and that the Council would most helpfully take into account the theology of compensation in preparing its report for the 1984 Assembly. The Administrative Director was consulted about implications for Mission Board personnel matters. It was decided that the Administrative Committee would be kept informed and meet with the CPS Division regarding any data on recommendations that affected Mission Board staff. This was done. Similarly, a staff team dealing with Mission Board lifestyles was consulted. The Stewardship Office staff was consulted and a comparison made between the theology of stewardship paper and the Brueggemann paper. It was agreed that they were in the main consistent and complementary. The Office of Review and Evaluation assisted by asking a set of questions in the Seventh Year Study which would give an additional data base from the Church, and by helping Professional Development staff think through the direction and steps of the report.

In July, Professional Development staff met with Gay Mothershed, Chair of the Division. Some tasks were clarified and areas of recommendations explored. Another meeting was held two weeks later, bringing together some Court Partnership Services staff, Office of Review and Evaluation Staff, Jim Newland, representing the Division and Dr. Brueggemann, who was in Atlanta teaching and preaching at Columbia Seminary. Participants in that meeting agreed that, as a long-range approach, church members should be invited and challenged to engage in theological reflection about their economic lives and decisions, including the economic lives and decisions of church courts. It was also agreed that there were some concerns that require actions which could not wait for a more comprehensive theological task. Therefore, it was agreed that the following approach and flow of the report be adopted:

1. Describe some of the current realities of the Church.
2. Make specific recommendations for changes in practice based on those realities, the original mandate, and the feedback audience.
3. Recognize the need for the Church to participate in theological reflection and make any recommendations that would help to provoke that reflection.
4. View Dr. Brueggemann's paper as a resource to that reflection.

In October, 1982, the Division received the Brueggemann paper and previewed the report, agreed to the overall approach, and made some suggestions for change. The report, including this section of history, was approved in January, 1983, by the Mission Board.

### A-3 GLOSSARY OF COMPENSATION TERMS

Allowances:	reimbursed expenses such as automobile, continuing education, books, other.
Benefits:	includes Minister Annuity Fund, Group Life/Major Medical Insurance, amount for Social Security, other.
Compensation:	(or Total Compensation) includes cash salary, housing/utilities, and benefits.
Housing:	either a manse or a cash allowance for rental or purchase of a manse (may include utilities).
Reimbursed Expenses:	those professional allowances for expenses such as automobile, continuing education, books, other (not a part of total compensation).
Salary:	basic cash income.
Total Package:	the total cost to the church/employer, includes salary, housing/utilities, benefits, and reimbursed expenses.

### APPENDIX B

#### [Part of the Report given in STUDY TWO] WORK OF THE TASK FORCE

In the interest of brevity, only the highlights of the task force's work are set forth here. (Complete documents are available in the offices of the Vocation Agency.) The task force:

- Studied, discussed, and formed a consensus on the strengths of the United Presbyterian Compensation Plan, problems in it, changes needed, and questions raised about it in the church.

- Ascertained a variety of data to be sought from presbytery executives in connection with the plan and interviewed as many of those executives as possible, by prearrangement, at the meeting of the 194th General Assembly (1982).

- Reviewed adaptations of the plan in effect in various presbyteries and considered those adaptations in formulating its recommendations.

- Concluded that it should be possible to make such modifications in the plan and in the compensation system established earlier by the General Assembly agencies as will achieve a single, comprehensive plan based on the theological concepts and basic principles set forth in this report. This plan, it was determined, needs to be equally valid in determining salaries for (1) ministers and other professionals serving individual churches, (2) professional staffs of General Assembly agencies, and (3) professional staffs of synods and presbyteries.

- Explored alternative sources of economic data and concluded that at the present time those budget data published by the Bureau of Labor Statistics provide the most acceptable base for determining a moderate standard of living.

- Developed guidelines for use by sessions and middle judicatories in establishing salaries for their non-professional staff members.

- Consulted with counterpart groups in the Presbyterian Church in the United States.

- Prepared a preliminary draft of a revised, simplified, and more adequate compensation plan.

- Designed a means for reviewing and testing the revised plan in synods, presbyteries, and local churches.

- Began that review by requesting synod councils to react to this draft report.

#### NEXT STEPS

The task force now plans, during the balance of 1983, to engage the whole church in a process of study and reflection on the theological concepts and basic principles set forth in the United Presbyterian Compensation Plan.

The task force plans to bring the results of that study and reflection, along with specific proposals, to the 196th General Assembly (1984).

#### RECOMMENDATIONS

The Vocation Agency recommends that the 195th General Assembly (1983):

1. Receive this report of the Vocation Agency's Task Force on the United Presbyterian Compensation Plan.

2. Request that the committee to which this is referred invite representatives of the task force to (1) provide the committee with additional background and (2) convey the committee's reactions and suggestions back to the task force.

3. Urge sessions, presbyteries, synods, and General Assembly agencies to participate in the planned study and refinement of the proposals being developed by the task force.

4. Instruct the Vocation Agency to develop resources for sessions, presbyteries, and synods to study and reflect upon the theological concepts and basic principles of the United Presbyterian Compensation Plan.

5. Instruct the Interim Co-Stated Clerks to print this report and the study resources requested above, and to send them to all ministers, certified Christian educators, and clerks of session.

6. Request the Vocation Agency and the Division of Court Partnership Services of the General Assembly Mission Board to consolidate their efforts so that the whole church may have, at the earliest possible date, a broadly acceptable and practical approach to compensation of persons employed by the church.

#### APPENDIX C

##### COMPENSATION FOR LAY EMPLOYEES

[Approved by the 195th General Assembly (1983)]

The Theology of Compensation study originated from a concern for the compensation of pastors. In the course of the study some clear implications for lay employees emerged. The Mission Board feels that it has a responsibility to bring these implications and related recommendations to the Assembly, along with the compensation study for clergy.

The Middle Tennessee Overture 81-22 specifically referred to disparities in salaries of lay workers, and there are some 1981 data available. For example, a sample of seventy (70) secretaries who attended their annual conference at Montreat reveals a range of salary for full-time employees from \$2.88 an hour to \$8.08 an hour. Part-time employees range from \$3.00 an hour to \$6.58 an hour. (The minimum wage was \$3.35.) Sixty-seven (67) percent received insurance and forty-one (41) percent received an annuity. A Presbyterian Association for Musicians survey of 196 musicians revealed a range from \$46,000.00 plus weddings, honorarium and insurance to \$12,000.00 plus weddings and insurance. Both salaries represent large congregations of 550 members or more. (One from a median size congregation reported \$11,500.00 for a forty (40) hour week, but named that part-time!)

The Employees' Annuity Fund situation is this: There are 1,500 members in the Plan. A most conservative

estimate of the number of lay employees is 5,200. This figure is based on known numbers of administrators, musicians, secretaries, educators and court employees. Only ninety-five were added to represent day care and cleaning personnel. Therefore, at best, only 29 percent of our lay employees are members of the Employees' Annuity Fund. There are 506 receiving annuities. The range of payments would be about \$367.00 to \$3.88 a month if the lowest annuitants did not receive a \$50.00 a month lump sum.

When pastors are enrolled in the Group Life Medical Insurance, lay employees must also participate. That mandate is sometimes neglected. Approving Recommendation #5 of the Theology of Compensation report (mandatory participation in the Ministers' Annuity Fund and Group Health Insurance) would help the presbyteries oversee that provision, because reviewing annually the terms of the minister's call would then raise the question of the insurance situation for lay employees.

The Church has established some guidelines and policies for lay employees. In 1983, the Office of Professional Development will collect them, compare them with UPC personnel policies, and propose additional actions that will produce a comprehensive picture for both denominations, particularly as a resource to sessions. Some sessions do implement policies for lay employees. One has established an equal salary structure for all program staff (except the "Senior" pastor) and will provide increments on the basis of their years of work experience in the Church and in that congregation. An educator or a musician could then earn a larger salary than the associate ministers. Nevertheless, some lay employees are underpaid and their concerns under-represented in the Church.

### RECOMMENDATIONS

1. The General Assembly recommends that the Board of Annuities and Relief:
  - reduce the eligibility requirement for participation in the Group Life Major Medical Plan from thirty hours a week to twenty hours a week for permanent employees.

The advantages of this proposal are:

  - It would provide access to health care for permanent part-time employees.
  - It would be a modest step toward encouraging part-time work as a model of sharing the Church's resources in a time of increasing unemployment and the awareness of needs for parenting.

The Presbyterian Secretarial Association has made this request out of the experience of single mothers of small children who can do a better job of parenting at a half-time job with minimal difference in income.

A disadvantage might be that those same smaller churches would consider insurance payments prohibitive especially when they must also pay for part-time lay personnel. On the other hand, increased membership would reduce the overall cost to all members. There are no hard data to determine what the responses of the churches might be. The UPC plan uses a 20 hour week eligibility based on Federal law.
2. The General Assembly recommends its agencies and urges other employing agencies to:
  - provide alternative work patterns, such as:
    - permanent part-time employment,
    - a flex-time work schedule,
    - a two, three, or four day work week for a portion of their employees
  - job sharing,
  - cluster contracts.
3. The General Assembly recommends that the Mission Board:
  - develop a plan to reduce the number of grades and salary ranges to the end that the gap between elected and appointed staff be narrowed,
  - provide for participation of all staff in the development of the plan,
  - report the plan to the 1985 General Assembly.

The advantages of this proposal are:

  - to accelerate the trend toward more equity emphasizing the importance of all members of community.
  - provide a test model for the Church.
4. The General Assembly urges sessions to:
  - establish minimum salaries for all lay employees.

The advantage of this proposal is:

  - to acknowledge the ministry of the laity and demonstrate some of the same concern for justice on their behalf as has been demonstrated for the clergy.
5. The General Assembly urges sessions to:
  - offer every employee an opportunity to participate in the Employees' Annuity Fund and review annually the status of Employees' Annuity Fund membership.

The advantages of this proposal are:

  - to assure employees of access to retirement support,
  - to prevent negligence of oversight through the review process.
6. The General Assembly instructs the Mission Board to:
  - provide resources for communities within presbyteries and congregations to reflect theologically on the compensation of all Christians and identify and establish key communities or contract groups who want to engage in moral discourse and economic discipline.

Theological reflection about compensation of church employees is inextricably linked to compensation of all Christians. This recommendation can help overcome the isolation of those who make hard decisions and who want the context of a community of faith in which to make those decisions. Models could be discovered and shared with the Church.

7. The General Assembly instructs the Mission Board to:
  - report to the 1986 General Assembly the results of the Theological reflections initiated by Recommendation 6 and make any additional recommendations emerging therefrom.
8. The General Assembly instructs the Co-Stated Clerks to:
  - print the report and the study paper and send it to all ministers, certified educators, and clerks of all Church courts.

## COMPENSATION STUDY SHORT RESPONSE FORM

1. Should the emphasis in a church compensation system be on merit or equality or should there be some balance between these two principles?

1 \_\_\_ merit only      2 \_\_\_ equality only      3 \_\_\_ some balance between the two

Briefly state your reasons for the response you gave.

2. If you favor equality as a basis for compensation (*others go to the next question*), would this be for ordained Ministers of the Word only, or for all full time church employees?

1 \_\_\_ ordained persons only      2 \_\_\_ all full time church employees

Briefly state your reasons for the response you gave.

3. To what extent do you agree that the same standards of concern about the economics of compensation and life style should apply equally to lay church employees as well as ordained Ministers of the Word?

1 \_\_\_ strongly agree      2 \_\_\_ agree      3 \_\_\_ disagree      4 \_\_\_ strongly disagree

What are your reasons for agreeing or disagreeing with this principle?

4. Would you also agree, or disagree, that the same standards of concern about the economics of compensation and life style of church employees should apply to all Christians?

1 \_\_\_ strongly agree      2 \_\_\_ agree      3 \_\_\_ disagree      4 \_\_\_ strongly disagree

What are your reasons for agreeing or disagreeing with this principle?

5. To what extent do you agree, or disagree, that compensation should be based on the nature, purpose, scope and responsibilities of the position?

1 \_\_\_ strongly agree      2 \_\_\_ agree      3 \_\_\_ disagree      4 \_\_\_ strongly disagree

What are your reasons for agreeing or disagreeing with this statement?

6. To what extent do you agree, or disagree, that an individual's salary should be related to performance on the job?

1 \_\_\_ strongly agree      2 \_\_\_ agree      3 \_\_\_ disagree      4 \_\_\_ strongly disagree

What are your reasons for agreeing or disagreeing with this statement?

Are there *additional* criteria that you believe should be given major consideration in determining salaries?

1 \_\_\_ yes      2 \_\_\_ no

If "yes," what additional criteria should be used?

7. In your judgment, is there any just way of differentiating among persons employed by the church?

1 \_\_\_ yes      2 \_\_\_ no

If "yes", what ways would you suggest?

8. To what extent do you agree, that "it is crucially important that the compensation program be accompanied by a vigorous program of affirmative actions on behalf of racial ethnic minority persons and women?"

1 \_\_\_ strongly agree      2 \_\_\_ agree      3 \_\_\_ disagree      4 \_\_\_ strongly disagree

What are your reasons for agreeing or disagreeing?

9. If there are any other suggestions or comments that you would like to make to the Special Task Force on Compensation, please use the space remaining to do so. A letter would also be welcome, if your comments are extensive.

Send your completed Response Form to:  
The Research Unit, Room 1740  
475 Riverside Drive  
New York, NY 10115