

December 1991

Money, Power, and Stewardship

*The staggering resources of
the United Methodist Women*

As a part of its denominational reform work, the Institute on Religion and Democracy acts as a consultant to the Evangelical Coalition for United Methodist Women (ECUMW). "Where does the money we send to the UM Women's Division really go?" is the question most asked by the ECUMW constituency. It's not an insignificant question. The assets of the UM Women's Division are nearly \$90 million and the division receives total annual income in excess of \$30 million. Such financial resources give this agency great influence across the denomination and make it a trend-setter ecumenically.

In response to the queries, ECUMW has prepared a "Financial File" which is its analysis of UM Women's Division funding patterns. The file includes a summary analysis of the theological/philosophical premises which govern programs, an overview of division finances, descriptions of 14 sample groups that receive funding, suggestions for designated mission/social action giving, and guidelines for using the packet. What follows are edited excerpts from the packet.

Our purpose is to present our findings in as clear and careful a manner as possible to assist women in the UM Church to come to their own conclusions regarding the stewardship of the Women's Division.

We want to be forthright about our own presuppositions. We bring to our evaluation our commitments to basic Christian theology. Politically, we are supportive of free political and economic systems because we believe such systems provide in practice the best protection against oppression, impoverishment, and injustice.

What are our conclusions? We cannot in good conscience commend *undesignated* giving to the United Methodist Women's Division. Of course, good is accomplished by many Division programs. But this does not compensate for other programs which we believe are misguided, unbalanced, overly political,



Goose on Parade -- Beverly Johnson of Raymore, Mo., and her goose joined in a parade of small animals during a worship service celebrating the creation during the 1990 United Methodist Women's Assembly. UMNS Photo by John Goodwin.

and, at times, antithetical to our understanding of the gospel. We believe that there are a myriad of other agencies and groups -- both within and outside the United Methodist Church -- to which our tithes and offerings can be given with confidence and enthusiasm. We can comfortably recommend that
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IRD's Kent Hill and other Protestant leaders meet with Mikhail Gorbachev -- page 8

Empowering people is crucial to a democratic South Africa's future -- page 4

UM Women, from page 1

women give *designated* gifts, such as Supplementary Gifts, to specific projects within the framework of United Methodist Women.

An Overview of Women's Division Finances

Based on the unaudited financial disclosure statements, total division income in 1989 was \$40,075,173 and expenditures were \$36,137,154. In 1990, Women's Division income was \$32,721,984 and expenditures totaled \$36,631,183. The total assets of the Women's Division for this period ranged near \$90 million. The fund-raising methods of the 1.15 million-strong United Methodist Women would make most non-profits green with envy. The hard work, dedication, and efficiency of thousands of volunteers is without equal. In short, United Methodist Women is a wealthy, large, powerful, and effective organization.

In 1989, the Women's Division received nearly \$19 million in undesignated gifts and some \$3.2 million in designated gifts. In addition to the unusual 1989 capital gains income of \$8.9 million, the division received over \$5.5 million in investment income and over half a million in bequests.

How Does the Money Go Out?

The most comprehensive look at the Women's Division expenditures is found in the annual financial disclosure statement which is available by writing the General Board of Global Ministries: 475 Riverside Drive, New York, NY 10115. Two sections in the report cover the Women's Division's composite and general funds.

The largest of the composite funds are the Pension Fund, the Permanent Fund, and the Designated Temporary Fund (the latter includes Supplementary Gifts which are designated by local units). These funds are, in varying degrees, restricted as to use. In some cases, expenditures can be made to very specific programs. In other cases, the Women's Division may spend the monies with fewer restrictions.

In 1989, \$13,007,002 was spent from the composite funds. Sixty percent -- \$7,754,167 -- was distributed in nearly 1,300 grants to more than 1,000 organizations. Some grants totaled only a few dollars and others were tens of thousands of dollars.

The priority concerns for grants from the composite funds seem to be the following areas: health care and

related issues, rural and urban community development, education, children's concerns, concerns for the elderly, and women's economic development. Some of the social service agencies mention "Bible study" or "Christian fellowship," but many do not identify an explicitly Christian or



Examples of Funding:

Issue of The Nation. Articles suggested that a major cause of teen pregnancy is "the fundamental discomfort of Americans with sexuality" and that traditional concepts of family may be viewed as "racist/sexist myths historically concocted by opportunistic, ruthless, or naive white males in the interests of white-over-black and male-over-female dominance."

Church Women United (CWU). In the 1980s, CWU made its enthusiasm for the Nicaraguan Sandinistas clear: One article in CWU's *Churchwoman* magazine called the revolution "the response of a faith-filled people, the energy of the collective, the conscience of the world.... As Moses lived in the heart of Israel, so too 'Sandino lives in the struggle for peace'."

Christianity and Crisis. In 1989, an article by Carter Heyward rhetorically asked about the amount of child abuse in a society where "the predominant image or theology of the culture is of 'divine child abuse' -- God the Father demanding and carrying out the suffering and death of his own son?"

religious focus to their outreach. Almost none of the grants went to groups which identified evangelism as a significant purpose or activity.

The General Funds -- Women's Division Expenses

The other section in the Women's Division financial disclosure report is the General Fund. Almost all the money in this fund is from undesignated gifts from United Methodist Women and the division directors decide how these funds are spent. The total income for the general fund in 1989 was \$20,116,761.

In 1989, the total general fund expenditures were \$23,130,152. Of this, 65 percent, or \$15,215,359, went to grants. Another 11.7 percent, or \$2.7 million, went to salaries and benefits. Most of the rest went to operating costs: rent, supplies, consultants, etc. Large amounts went to meeting expenses (\$318,763), staff travel (\$267,528), conferences, workshops and educational events (\$704,436), and free promotional

and informational material (\$545,249).

Over the last ten years, the media has focussed on controversial grants to groups outside the churches.

The UM Women's Division spends enormous sums internally, as well. It funds publications, training events, a quadrennial National Seminar and National Assembly, *Response* magazine, a reading program, mission studies, and the UN and Washington offices -- all of which are vehicles for an ideological perspective frequently to the Left of those who provide the funds.

Grants from the General Fund

Looking more closely at the over \$15 million in grants, the bulk of these funds went to the Education and Cultivation Division (\$1,106,444), to the National Division (\$5,120,854), to the World Division (\$5,120,854), and for property renovation of the Nashville-based Scarritt-Bennett Center (\$2,725,577).

Some 100 other groups received the remaining \$1.1 million in grants, averaging just over \$10,000 each. These grants are worth special study, because they represent those monies over which the Women's Division has complete discretion. While they total a small portion of the all Women's Division expenditures, they offer a revealing picture of Division concerns and priorities. They also reveal the political and theological assumptions which have an influence on more traditional charitable and social service grants made from composite funds.

Some of these grant recipients are among the most radical which comprise and influence the religious Left. Their journals and organizations produce the seminal thinking, set the trends, and identify resource persons for the religious Left network. (Grantees listed in the appendix include *Christianity and Crisis* magazine, Church Coalition for Human Rights in the Philippines, Churches for Middle East Peace, Church Women United, the Institute for Policy Studies, Interfaith Impact, *The Nation*, North American Coalition for Human Rights in Korea, the Religious Network for Equality of Women, and the Washington Office on Africa. Extreme groups that received in-kind contributions included the Pan-Africanist Congress of Azania, the Christian Peace Conference, the Venceremos Brigade, and the Women's International League for Peace and Freedom.)

Some trends emerge in an overview of the specific groups which receive grants. Internationally, the geographic focus is extremely limited. Central America (and especially El Salvador), South Africa, the

Philippines, and Israel/Palestine were high priorities. There was strong support for groups highly critical of nascent and struggling democracies, while little was given to opposition groups under leftist totalitarian regimes. No organization which focused on human rights and democratic development in China, North Korea, or Cambodia was funded. Groups which receive funds are frequently sympathetic to socialism and are often viscerally critical of the United States. In the very two-year period which marked the fall of the Berlin Wall and the most monumental geopolitical changes since the Second World War, we found no grant made to address the needs which these Eastern European societies-in-transition face. We could not find any grant to a group explicitly supporting international religious liberty.

In virtually every instance, grants are given to political advocacy programs. Rarely, if ever, is money given to groups which conduct scholarly research or discussion, or offer even-handed education regarding policy alternatives.

Do These Controversial Grants Really Matter?

When United Methodist women disagree with these grants, they are often told that these grants represent a tiny portion of their gift and that other good work will suffer if they withhold gifts.

But are these grants so insignificant? They may represent major sources of income for questionable groups, providing essential sustenance and encouragement to their work. A few thousand dollars may be a small part of the Women's Division budget, while it may be a very large grant to the recipient organization. Women's Division grants extend a church "blessing" to groups. Grantees are then able to use the name of the United Methodist Church to gain entree, respectability, and additional funds elsewhere.

Most disturbing of all is the fact that these controversial grants almost certainly illustrate the ideologies which undergird the division's huge educational programs. These grants in turn influence other Women's Division activities, the broader mission work of the UM Church, and, indeed, beyond the United Methodist Church.

The Evangelical Coalition of United Methodist Women is a network of UM women in the UM Church, supported by Good News, the Mission Society for United Methodists and the Institute on Religion and Democracy. The ECUMW Financial File is available for \$8.00 from ECUMW, c/o Faye Short, Rt. 2, Box 490, Commerce, GA 30529.

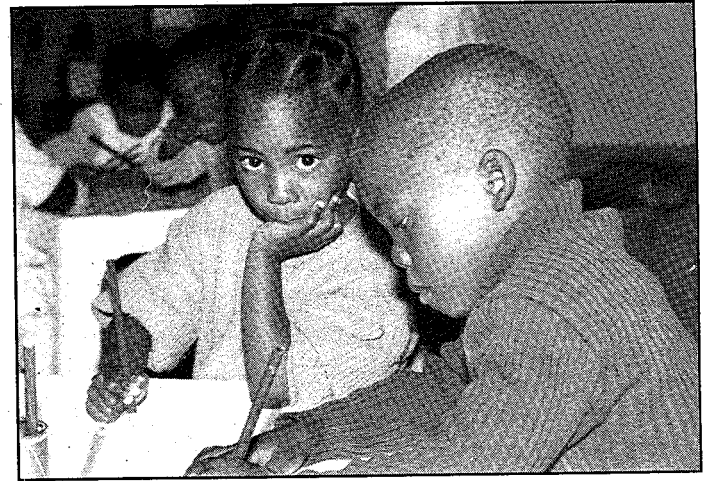
Building a New South Africa

Empowerment as an antidote to violence and division

By Lonni K. Jackson

As South Africa bumps and jolts its way toward negotiations for a representative government, most South Africans are very much aware of the many pitfalls that confront them along the way. Their land is a volatile mix of violence, economic stagnation, and political uncertainty. With unemployment at 40 percent, many have lost hope in the future, and common crime has been escalating at a dizzying pace. Driving through the middle-class neighborhoods of Johannesburg, one sees a very poignant reminder of the fear with which many South Africans live. Whole residential blocks are surrounded by eight-foot-high walls, fortified with razor-wire and sporting signs that warn would-be intruders of attack dogs and security systems that call on an "immediate armed response."

For blacks, the gap between their political and economic expectations and reality remains wide. Yet there is reason for South Africans to be hopeful as well. Political liberalization (while by no means complete), has opened up South African society, and now critics of the government freely discuss the future of their country, with little fear of government intimidation. Even the constant sparring between the



*The future of pre-school children such as these at the Yoluntu Community Center in the Eastern Cape province depends on meeting the vast educational needs among black youth.
Photo: Lonni Jackson.*

government and its main black opposition is not cause for too much concern at this point. The mere fact that they are talking is reason enough for hope. While some believe that President F.W. de Klerk is reforming the system merely to remain in power, most agree that the changes de Klerk has instituted are irreversible.

Perhaps one of the most encouraging signs of hope in South Africa today is the tremendous amount of

Is There Any Room for Optimism in South Africa?

By Lawrence E. Adams

A short sojourn through South Africa in October left this observer with a sense of -- to employ an overused diplomatic cliché -- "cautious optimism." It could be that the caution is more warranted than the optimism, yet the signs of rebuilding that may characterize the "new South Africa" are apparent and deserve cultivation and support.

The coexistence of competing

trends in South African society impressed me most profoundly, making prediction nearly impossible. Ironies abound. But this surely is the mixture out of which the new structures will emerge. South Africa also is a most energizing place, alive with a sense of expectation and of engagement not found in more settled political situations.

Violence v. Reconciliation. On the one hand is the dramatic increase of violence between and within all population groups. A portion of the violence, such as that against commuter trains, is organized by still mysterious groups, perhaps

elements in the police forces that capitalize on already-bloody rivalries between black political factions. On the other hand is the extensive effort at reconciliation training, ongoing negotiations, expansion of political participation, the development of the National Peace Accord in September, and many other signs. Despite impressions often found in the Western press, at this time violence is the preferred solution only of fringe elements. Violence is not widely supported among the majority.

The fear found especially among white South Africans has led some to flee, others to propound a white

good will that still exists on both sides of the color line. All over the country individuals and organizations are working together to build for a "new South Africa." These efforts range from relief and economic development work, to conflict resolution, and educational development. Much of this work is being done by either church-based organizations or organizations with a distinctive Christian component.

Because of South Africa's unique juxtaposition of first-world infrastructure, financial resources, and markets, with third-world poverty, there is an opportunity for relatively sophisticated development work to be done in the huge informal economic sector. The Triple Trust of Cape Town, for example, is involved in what it refers to as comprehensive development in the black communities of the Cape Province. Its view is that skills training alone is insufficient in an economy with such high unemployment. What is needed is self-employment training, which includes not only skills training, but financing and marketing as well. The Trust currently trains approximately 1,000 people a year in micro-enterprise. Following each eight-week course, graduates are given small loans to get their business started and marketing strategies for their products.

More recently, the Trust has become involved in community enterprise services. The Trust provides small black businesses with consultation services, and helps organize one-to-one mentoring between retired businessmen and black entrepreneurs. This collabor-

ative approach between first and third world is highly effective, and unique to the South African situation.

"Evangelical churches are doing some of the best development work" in South Africa, said Dr. Marylee James, Director of Development Training at Africa Enterprise (AE) in Pietermaritzburg. While doing research in South Africa for her doctorate in community development, James found that most established churches were doing either political activity or charity work. In contrast, "Evangelicals have more of a development mentality," said James.

At Africa Enterprise, James runs training courses in development and social empowerment for field workers who live in townships. The Diploma and Certificate programs are one and three years in length, and consist of three two-to-three-week courses each year at the AE center. The programs are based on experiential education, offering the students practical, hands-on experience, and group interaction. Finally, students return to their community to practice what they learn after each course.

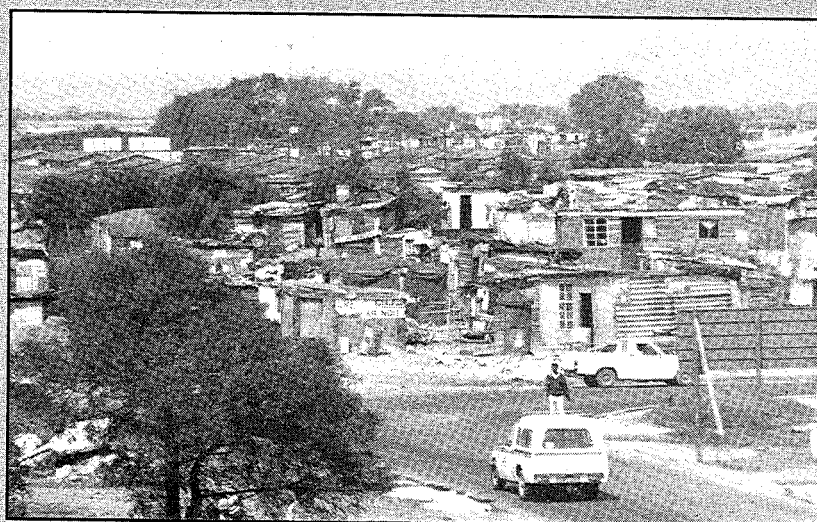
James believes that the church needs to be an educational forum. She has found that while most of her students are fascinated with the ideas of democracy, very few really know what democracy is. Churches can be involved in democracy education, teaching students what it means to be a citizen and how to build civil society. This is an urgent need, and one which the church can fulfill, given its strong moral → see *Empowerment*, page 6

homeland, others to resist change. Yet I was consistently impressed by the commitment to re-building I heard. There is a strong desire for unity and a just society, rather than division and partition. Christians especially show this commitment: I had discussions along these lines with a fellowship of white lawyers in Cape Town and in a coloured township church near Burgersdorp.

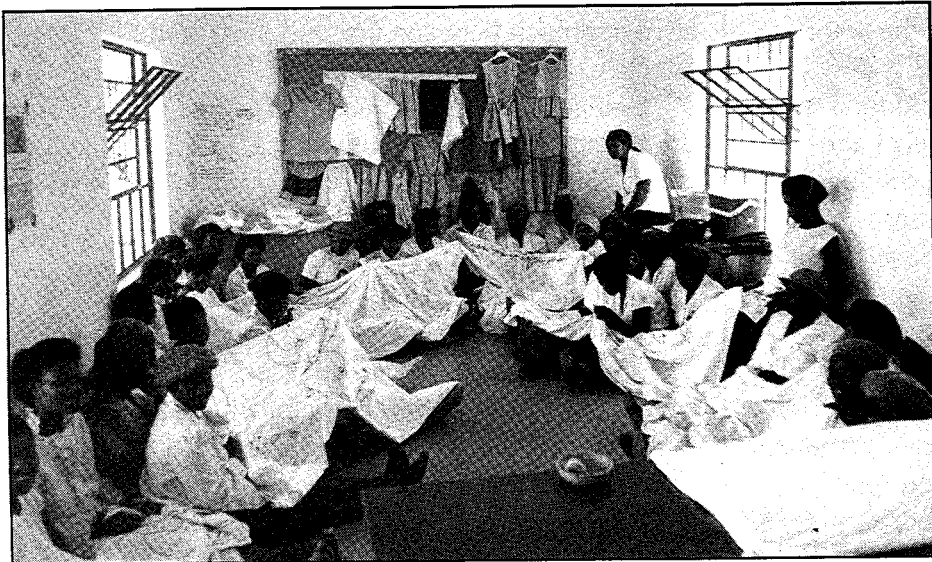
Old Divisions v. New

Interdependence -- Divisions in society are deep and entrenched, based on hundreds of years of conflict and colonial intervention, and enforced by 40 years of

→ see *Optimism*, page 6



In South Africa, squatter camps such as this one at Crossroads often stand just miles from first-world living conditions. Photo: Lonni Jackson.



These women from a rural South African homeland display the quilts and clothes they made through a self-help project run by Operation Hunger. Photo: Lonni Jackson.

Empowerment, from page 5 influence in South Africa.

Rather than promoting a short-sighted sanctions policy toward South Africa, U.S. churches can be involved in significant ways to promote positive change. By supporting organizations such as the Triple Trust and Africa Enterprise, Christians can be active in helping move South Africa further along the road to democracy. Economic development, racial reconciliation, conflict resolution, and education are all being successfully pursued by indigenous organizations in South Africa. Many of these organizations are committed to operating independently of political parties, and have developed strong reputations across the spectrum for integrity and effective work.

Through its Building a New South Africa (BANSA) program, IRD suggests support for a number of organizations that are engaged in the rebuilding of South African society. For information, please contact Lonni Jackson: IRD, 1331 H Street, NW, #900, Washington, DC 20005-4706.

Optimism, from page 5 apartheid policy which separated racial groups and repressed non-white aspirations. Yet the divisions have been difficult to sustain in the non-political institutions of civil society, especially in the economy. For example, wide economic disparities inhibit the modernization of society. The need for internal markets and large labor pools -- forces that integrate society -- can become cohesive elements in a polarized situation. Any future prosperity for South Africa will require blacks, whites, coloureds and Indians to work together in just and peaceful ways. Further, President F.W. de Klerk's National Party knows that it cannot govern an apartheid system. It is too costly -- for example, to maintain 18 separate education systems, to transport workers who live far from jobs -- and too costly in the unrest and dysfunction it causes.

Defenders v. Rebuilders -- It has been asked whether whites and blacks can overcome their defensive postures and truly negotiate. There also has been a fear that apartheid has stultified the

development of responsible black leaders. But where there are divisive forces, there are also constructive forces.

Both the mode of survival under legal apartheid and maintaining the apartheid structures required some development of black leadership and an educated class in the townships. The much commented on tribal diversity, while a source of conflict at some mines and residential hostels, has also forced the development of cooperation in the townships -- multi-lingual church services, businesses, and schools abound, for example. If these expressions of civil society flourish during the current transition period, it can only enhance the maturation of leadership at the local level. President de Klerk, Nelson Mandela and Inkatha leader Gatsha Buthelezi will not rebuild South Africa alone.

Enemies v. Opponents -- South Africa, still in the midst of upheaval, is sorting out its social and political character. Even after Nelson Mandela's release from prison, the process is taking longer than many want and had hoped. There is much suspicion of the government and concern that the political wrangling will bog down into an immovable deadlock. Yet even in the process of disagreeing and discussing differences, political groups once enemies are learning to be opponents, and are potentially forming the foundation for multi-party representative government. Violent crime is common, but organized, coordinated attacks are sporadic. South Africa is not at civil war; it is not -- at least yet -- Lebanon or Yugoslavia. It will take the best efforts of Christians and all South Africans to keep it that way.

BANSA Supports the Following Organizations:

The Urban Foundation

Founded in 1977, the Urban Foundation (UF) focuses its development efforts through education, housing, and urban private sector initiatives. In the 1990's the UF finds itself in a pivotal role, with the government and non-profit organizations putting more emphasis on urban development in South Africa. The UF lobbies the government to broaden its development policies, consults with other development organizations, and works to support viable private institutions.

Recently, the UF has been involved in monitoring demographic changes in South Africa, particularly regarding urban growth. It has been an advocate for proper management of the urbanization trend, and seeks to provide for large scale housing projects for blacks in urban areas.

Africa Enterprise

In a society that is greatly polarized, yet where nearly 80 percent of its population claims to be Christian, it is important for the Church to be a strong witness for peace and reconciliation. An indigenous inter-denominational and inter-racial mission organization committed to social witness and evangelism, Africa Enterprise (AE) works with churches to provide leadership training, reconciliation workshops, evangelism missions, and aid to needy communities.

The key to effective ministry is African-born workers and evangelists, most of whom have years of experience and are more easily accepted than foreigners. With no language studies needed and light travel expenses, their ongoing work is very cost effective.

Rosebank Bible College

Located just outside Johannesburg, this multi-racial, evangelical Bible college has been educating a small student body since 1973. The college is inter-denominational, graduating students that go to the mission field, become full-time pastors, or continue to be active laypersons in their respective churches.

LEAF Schools

Leadership Education and Advancement Foundation (LEAF) has set up two multi-racial senior high schools in South Africa. These schools have developed their programs around those black and other non-white students who are planning a university education. In these schools, LEAF identifies gifted students and possible future leaders. The students attend All Saints or St. Luke's for a top-notch final two or three years of

university preparation. Of the 175 candidates from both schools who wrote their matriculation exams last year, 163 passed with 109 qualifying for university entrance. The students are sponsored by private sector gifts, though parents are expected to contribute according to their means.

Operation Hunger

Operation Hunger (OH) is the largest relief and development organization in South Africa. Every day it feeds well over one million people in South Africa. The organization gets food and clothing to the neediest via community committees, the administrative overhead of which is among the lowest in the world for hunger relief operations. OH does more than crisis intervention; it is setting up development projects that focus on small agricultural development, brick-making, crafts and other food and wealth-producing programs. Uniquely, OH enjoys support from sources as diverse as the South African government and the African National Congress.

Rural Foundation

There are more than six million people living on farms in South Africa, many of whom lack the basics in health care, education and recreational facilities. The Rural Foundation (RF) has been active in developing these resources in the farm communities for nearly ten years. It now has an impact on more than 27,000 families. RF works with land owners and farm laborers, and is in particular need of funding to continue its pre-school programs that help teach youngsters simple hygiene and other basic health skills.

Yoluntu

Founded by a white Dutch Reformed minister in a coloured township of a rural farming community, Yoluntu has grown into a community development project that includes a community garden, a daycare center, literacy projects, health care, and conflict resolution networks.

Yoluntu is administered by a committee made up of people in the township. As a successful working model of a democratic institution, it is being copied by projects in other towns in the area.

Triple Trust

Cape Town's Triple Trust is involved in comprehensive development in the black communities of the Cape Province. First, the Trust provides skills training. Then, it finances graduates to set up their own businesses. Finally, the Trust helps the new entrepreneurs market their goods. Recently the Trust also began to get involved in community enterprise services, providing one-on-one consultation between successful retired businessmen and black entrepreneurs.

What's Ahead in *Religion & Democracy?*

Early in 1992, *Religion & Democracy* will publish a report on a recent NCC-sponsored conference on the "New World Order." During that conference, participants heard substantive criticism of the way the NCC and its member denominations have engaged in political advocacy. IRD will ask: "What are the signs for a 'new order' in the NCC world?"

Other forthcoming articles will include a religious liberty alert on the terrible Muslim/Christian conflicts in Nigeria and Sudan, analysis of key legislation coming before the United Methodist General Conference, and regular reports "on the front line" from Kent Hill in Moscow.

These articles reflect a sampling of the IRD's work as we enter 1992. Right now, we need the generous assistance of our members and supporters to continue our work unabated. A return envelope is included with the newsletter. Will you consider making a special contribution to the IRD this month?



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Evangelicals Meet Gorbachev

In an historic meeting at the Kremlin on November 4, Mikhail Gorbachev, president of the USSR, discussed with a delegation of North American Protestants the future of the USSR and the role of religion and democracy in its development. IRD President Kent R. Hill was among 19 delegates of what was designated "Project Christian Bridge."

"Changes in Russian history have usually been accompanied by bloodshed," Gorbachev said, "but now we want to change through democratic means. If we succeed, it will be good for the entire country."

During one week of meetings in Moscow, the delegation heard Soviet politicians, economists, and journalists describe the moral and spiritual vacuum that exists in their country.

At The Lubyanka, headquarters of the KGB and a prison that once held thousands of prisoners under communism, KGB Vice Chairman General Nikolai Stolyarov told the group, "The missionary role is necessary. Any good that unites us as a people is important." He also noted that reform in the KGB without repentance made no sense.

"I'm very afraid of the future," said Valery Sidorov, General Director of the League of Scientific and Industrial Association in the USSR. "The next year could be cataclysmic unless we can give rebirth to the economy and establish spiritual centers of peace. Establish a bridge between believers in your country and our country."

Project Christian Bridge participants return to their churches and organizations with numerous links with Soviet leaders to provide relief, literature, broadcasts and other assistance.

Kent Hill will return to Moscow in early December with his family. During his eight-month visit, he will, among other things, be teaching at Moscow State University on Christian apologetics, the role of religion in Russian history, and the relationship between Christianity and democracy.



Kent Hill with Mikhail Gorbachev