BLACK SEVENTH-DAY ADVENTISTS
AND CHURCH ECONOMICS

by Henry E. Felder, Ph.D.

Introduction
This study focuses on the relative economic status of Black Seventh-day Adventists who are members of regional, or predominately Black, conferences that are a part of the North American Division (NAD) of the church. The principal analysis will compare data on tithes and memberships. Reported tithe is used as a proxy for income under the assumption that tithe and income move in the same direction.¹

In order to assess trends, data will be used from the year 1950 (after Black conferences had been in existence for five years) to 1994, when data were last available. Data will be used in five-year intervals under the assumption that this is sufficient to determine trends. Since Black Adventists are part of a larger community, comparisons will be made regarding that community as a frame of reference.

Model of the Economic Status of Black Adventists
Black Americans have been a part of the Seventh-day Adventist Church from the earliest days of the denomination. Numerous times in various volumes of the Testimonies for the Church Ellen White addressed the economic as well as spiritual needs of the Black members.² Much of her writings spoke to the economic status and needs of the newly freed slaves during the last part of the nineteenth century.

However, not much is known about the economic status of the Black members of the church in more recent periods of church history. In most economic models of the status of Black Americans, emphasis is placed on the relative earnings, employment status, and wealth condition of Blacks compared to similar statistics for Whites and other groups.³ No such data exist for Black Seventh-day Adventists, who are not numerous enough to be captured by typical census surveys. We can use such economic models, however, to infer conditions about relative economic status.

The basic economic model to describe economic status begins with the assumption that individuals value goods and leisure, and make choices that provide for the best trade-off of the two subject to a budget constraint.⁴ From these types of models, three relationships help provide the basis for understanding the economic status of any group. The first establishes how income flow permits the family to purchase goods and services, save money for future consumption, and provide for the basic needs of modern life. The second is a labor supply equation that shows the relationship between hours of work, labor force participation, and the expected wage the individual can command in the marketplace. The third relationship is a wage equation that shows the personal and other factors that determine the amounts individuals get paid for work.

The budget constraint relates the ability to buy goods and services to the income of the family or individual and the sources of that income.

1. Prices x goods = income = earnings + interest + rents + dividends + government transfers

Total income is the sum of the flow of funds from wage earnings, the flow of interest from the ownership of financial capital, the flow of rents from the ownership of property, the flow of dividends from the ownership of stock, and the flow of transfer payments (both cash and noncash) from government sources.

Since approximately 75 percent of all income in this country comes from wage earnings, the labor supply and wage equations that determine the amount of wage earnings provide clues to the factors that determine economic success.

2. Hours of work = F (expected wages, demographic factors, environmental factors)

3. Wages = G (hours of work, demographic factors, environmental factors, occupational factors)

The result of these equations is the key relationship that describes economic status, which is the amount of earnings available to the family or individual.

4. Earnings = wage rate x hours of work

The wage rate is a reflection of the gender, race, education, skills, and occupation of the individual. Participation in the labor market and the hours that the individual works determine the amount of earnings, which, as expressed in equation 4, determines the amount of income.
The economic status of any group results from the amount of income they have when compared to the income of other groups. When the income is large enough, the family is economically self-sufficient. This income provides the basis for returning tithe, educating children, buying homes and cars, and all other economic activities the family or individual wishes to undertake. When income is low, especially when the major source of income is from government transfers, the family may be in poverty.

Economic status is relative to the environment and society in which it is examined. Generally, to determine the economic status of one group, comparisons are made either with the society as a whole or with the economic status of another, or comparison, group. These data are compared at a point in time or over several time periods in order to provide information about trends, absolute status, and relative status. The ratio of income of the subject group to the income of the comparison group provides a convenient point of reference for assessing relative economic status.

5. Ratio = income (subject group)/income (comparison group)

The economic model suggested here will form the basis for assessing the relative economic status of Black Adventists.

Sources of Data Used in the Analysis

The data used in the analysis come primarily from the Annual Statistical Reports of the Seventh-day Adventist Church. I also use data on income, marital status, and other characteristics from the U.S. Bureau of the Census’ Current Population Reports.

Because data on the actual economic conditions of Adventists are not available, I assume that the average tithe is a proxy for the income received by the average member of the various NAD conferences. Information on offerings is not systematically analyzed since the data suggests far greater variance in how conferences report offerings.

However, there are several limitations to the use of the tithe, especially as a proxy for the income of Black Adventists. First, data on Black Adventists who live in areas in which there are regional conferences but are not members of such churches are not included. It is not known how many Black Adventists are in this category. The absence of data on such Black Seventh-day Adventists means that the analysis must be interpreted narrowly, and therefore is not representative of all Black Adventists.

A second limitation is that the regional conference structure does not extend to the western United States, where 12 percent of all Adventists reside, but where only 10 percent of Black Adventists in the NAD reside. Specific data on the member tithe of Blacks who attend predominately Black churches in these areas are not reported separately, as is true for the areas of this part of the country. Since the focus is on the regional conferences, this analysis does not systematically include data on the 10 percent of all Black Adventists who reside in the Pacific Union and the North Pacific Union.

A third limitation is that tithe is only a proxy for actual economic status and may be a rather poor one. The average tithe paid and reported is the product of how many members pay, the average percent of income paid as tithe, and the consistency of the amount paid. Each of these indicators can vary dramatically over churches and over time. Ratio analysis is used to overcome some of the limitations of aggregate tithe data.

Analysis of the Data

Table 1 presents data on the membership, tithe, and world mission offerings of the nine regional conferences and the Black constituencies of the Pacific and North Pacific unions. In 1994 there were approximately 217,660 Black

<table>
<thead>
<tr>
<th>Conference/Union</th>
<th>Members</th>
<th>Tithe</th>
<th>Offering</th>
<th>Tithe/Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allegheny East</td>
<td>24,143</td>
<td>13,834,859</td>
<td>334,792</td>
<td>14,169,651</td>
</tr>
<tr>
<td>Allegheny West</td>
<td>11,131</td>
<td>4,278,336</td>
<td>99,518</td>
<td>4,377,854</td>
</tr>
<tr>
<td>Central States</td>
<td>8,700</td>
<td>2,451,013</td>
<td>63,741</td>
<td>2,514,754</td>
</tr>
<tr>
<td>Lake Region</td>
<td>21,691</td>
<td>6,614,011</td>
<td>169,911</td>
<td>6,783,922</td>
</tr>
<tr>
<td>Northeastern</td>
<td>40,191</td>
<td>15,720,288</td>
<td>500,729</td>
<td>18,200,997</td>
</tr>
<tr>
<td>South Atlantic</td>
<td>24,906</td>
<td>8,377,500</td>
<td>187,088</td>
<td>8,564,588</td>
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<tr>
<td>South Central</td>
<td>24,580</td>
<td>8,543,161</td>
<td>172,301</td>
<td>8,715,462</td>
</tr>
<tr>
<td>Southeastern</td>
<td>21,093</td>
<td>8,068,771</td>
<td>242,576</td>
<td>8,311,347</td>
</tr>
<tr>
<td>Southwest Region</td>
<td>15,427</td>
<td>5,475,530</td>
<td>116,924</td>
<td>5,592,454</td>
</tr>
<tr>
<td>North Pacific</td>
<td>1,861</td>
<td>907,829</td>
<td>19,308</td>
<td>927,137</td>
</tr>
<tr>
<td>Pacific</td>
<td>23,637</td>
<td>8,963,956</td>
<td>230,251</td>
<td>9,194,207</td>
</tr>
<tr>
<td>TOTALS</td>
<td>217,660</td>
<td>85,035,234</td>
<td>2,137,139</td>
<td>87,172,373</td>
</tr>
<tr>
<td>NAD TOTALS</td>
<td>807,601</td>
<td>480,730,815</td>
<td>22,444,820</td>
<td>503,175,635</td>
</tr>
<tr>
<td>NAD MINUS BLACK</td>
<td>509,941</td>
<td>395,695,561</td>
<td>20,307,681</td>
<td>416,003,262</td>
</tr>
<tr>
<td>BLACK/WHITE</td>
<td>0.37</td>
<td>0.21</td>
<td>0.11</td>
<td>0.21</td>
</tr>
<tr>
<td>BLACK/NAD</td>
<td>0.27</td>
<td>0.18</td>
<td>0.10</td>
<td>0.17</td>
</tr>
</tbody>
</table>
members in the NAD, or 27 percent of the total membership of the NAD. Black members contributed $85 million, representing 18 percent of all the tithe given. In addition, Black members gave world mission offerings of $2 million, representing 11 percent of the offerings given. In total, Black members contributed $87 million of the $503 million given for tithe and world mission offerings in the NAD. This represented 17 percent of total NAD tithe and offerings.

At the end of 1994 Seventh-day Adventist membership was 8,382,558 worldwide. That year these members gave $853 million in total tithe and world offerings. The NAD contributed 60 percent of the total, with approximately 10 percent of the church’s population. Black Adventists gave 10 percent of all tithe and offerings worldwide. As a group, Black Adventists contributed more tithe and offerings to the church than any division except the NAD.

In absolute terms, the contributions of Black Adventists were sizable. In relative terms, Black Adventists gave $390.68 tithe per capita. This compares with a per capita tithe of $595.26 for the NAD as a whole and $670.74 for the NAD minus Black Adventists (or primarily White Adventists). The tithe per capita of Black Adventists was 0.58 of the tithe per capita of the rest of the NAD (a ratio of 1.0 would mean that the average tithe per capita was the same for both groups).

Relative economic status as measured by per capita tithe is not constant across all the regional conferences. In some conferences Black Adventists have relatively higher incomes than in other conferences. For example, per capita tithe ranges from $573 in the Allegheny East Conference to $282 in the Central States Conference. To adjust for differences in the cost of living, the tithe per capita for each regional conference and the Black population of the North Pacific and Pacific unions were then compared with the tithe per capita in the unions in which the conference was located. The results are shown in Figure 1.

Allegheny East has a tithe per capita that is 88 percent of the tithe per capita of the Columbia Union as a whole, while at the other end the Lake Region Conference’s tithe per capita is 50 percent of the tithe per capita of the Lake Union. Thus in its union the Allegheny East Conference has nearly reached economic parity with the average of all other conferences. This suggests that any conclusions about the relative standing of Black Adventists must be tempered by the knowledge that there is wide variance in relative standing.

Information about the tithe, offerings, and tithe per capita for a single year gives us only a small insight into the relative economic status of Black Adventists. Trend analysis is helpful for assessing the extent that Black Adventists have advanced economically from the time that regional conferences were first introduced in 1945. To make trend analysis meaningful, it is necessary to adjust dollar amounts for inflation.

**Time Trend Analysis of the Status of Blacks**

Figures 2 and 3 show the time trends of total membership and membership share of Black and White members in the NAD over the period 1950 to 1994. In 1950 Black membership in the regional conferences was 23,264, or less than 10 percent of the total membership in the NAD. Tithe receipts were $1,195,633, or 6 percent of the $21 million collected in the NAD. Annual tithe per capita in the Black conferences was $51.39.

![Figure 2](image-url)

Yet church membership and tithe grew rapidly in the Black conferences, eclipsing that of the rest of the NAD, as shown in Table 2. Black membership growth increased to the point that by 1994, 27 percent of all NAD members were part of the regional and West Coast Black constituencies.
Table 2
Average Annual Growth Rates in Memberships and Tithe

<table>
<thead>
<tr>
<th>Period</th>
<th>Membership</th>
<th>Tithe</th>
<th>Membership</th>
<th>Tithe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950-1960</td>
<td>5.98%</td>
<td>15.66%</td>
<td>2.96%</td>
<td>11.04%</td>
</tr>
<tr>
<td>1960-1970</td>
<td>7.04%</td>
<td>16.22%</td>
<td>2.75%</td>
<td>10.30%</td>
</tr>
<tr>
<td>1970-1980</td>
<td>7.70%</td>
<td>20.87%</td>
<td>3.07%</td>
<td>15.70%</td>
</tr>
<tr>
<td>1980-1990</td>
<td>6.74%</td>
<td>16.51%</td>
<td>2.03%</td>
<td>6.12%</td>
</tr>
<tr>
<td>1990-1994</td>
<td>7.37%</td>
<td>11.42%</td>
<td>0.53%</td>
<td>3.06%</td>
</tr>
</tbody>
</table>

Source: Calculation by author based on the annual figures for membership and tithe of the regional conferences only.

Note: The tithe growth rates are based on current dollars.

In Figures 4-7 I show the trends in total tithe and tithe per capita in current dollars and after adjusting for inflation. For Black Adventists the real total tithe increased steadily in 1990 dollars from $6,489,000 in 1950 to $75,004,000 in 1994. In the rest of the NAD, however, real tithe increased to $347,113,000 in 1980 and remained relatively flat after that. On a per capita basis, real tithe peaked for White Adventists in 1975 at $781.12 and in 1970 at $427 for Blacks. After these periods, real per capita tithe declined to $577.28 for Whites and $344.59 for Blacks.
The decline in real per capita tithe for both the Black and White constituencies has implications for the economic status of both groups and for the church as a whole. If it is true that tithe reflects actual income, then real income has declined for both Black and White Adventists. To the extent that this is true, it means that funds to support mission and outreach programs of the church have decreased greatly. It also means that for the average Black Adventist, absolute economic status has declined.

Black Adventists do not exist outside of the total Black community. Factors that determine economic status in the larger community will have a significant bearing on how well Black Adventists are doing. Therefore, to understand the relative economic status of Black Adventists, we need to assess the overall economic status of Black Americans. We will seek to determine whether there are relative declines in the overall Black community, or whether this appears to be happening just to Black Adventists. For the Black and White communities, it is possible to observe sample data on actual wages.

In Figure 8 I show the mean annual income for Black and White workers in current dollars for the period 1950-1994. In Figure 9 the same information is given in real (1990) dollars. In 1950 working Black individuals earned an average of $1,608 ($8,731 in 1990 dollars), compared to an average of $3,092 ($16,789 in 1990 dollars) for working White individuals. The Black-White income ratio was 0.520. The Black-White ratio increased relatively steadily as Black income increased to 63.3 percent that of White workers. In real dollars income gains for Black workers increased in most years.

In 1950 the Black-White tithe ratio per capita was 0.587. By 1994 the Black-White income ratio was to increase to 0.633, while the Black-White tithe per capita ratio increased only slightly to 0.597. During the intervening years Black-White income ratios and Black-White tithe ratios have remained relatively flat and closely associated, as shown on Figure 9.

The meaning of the Black-White ratios of Figure 10 suggest several things about the relative economic status of Black Adventists when compared to the relative status of all Blacks. One interpretation is that working Black Americans have steadily improved relative to working White Americans. However, Black Adventists have not improved to the same degree. Another interpretation is that there are environmental circumstances that lead to reductions in Black tithe per capita that do not impact in the same way on all Black Americans.

It is apparent, however, that while all Blacks have moved steadily, Black Adventists have not broken out of the narrow range of relative tithe per capita in the years indicated in this analysis. Over the 44-year period represented by this analysis, Black Adventists have returned approximately 0.58 of the tithe of White Adventists. At no
time has the Black tithe ratio exceeded 0.60. The consistency of the time trends seem to suggest that, indeed, Black Adventists have not kept up relatively as well as all Blacks in the society.

The finding that relative economic progress has been very limited for all Blacks is somewhat surprising, given the dramatic changes in the economic status of Blacks over the period covered by this analysis. Close analysis, however, reveals that the Black community is not economically homogeneous and that some segments of the population are making better progress than other segments. We would expect that this would be true for Black Adventists as well.

When we segment the Black family by family status we find dramatic economic differences across groups. Black families may be separated into three groups:
1. Married-couple households with a working wife (MC/WW)
2. Married-couple households without a working wife (MC/NW)
3. Households headed by a single female (FH)

In Figure 11 we see the distribution of these three types of Black families for selected years from 1967 to 1990. Over the period 1967 to 1990, households headed by females became the majority type of the three household types, increasing from 27 percent to 46 percent. At the same time such households fell further behind in relative and absolute income when compared to other Black households and to White households, as shown in Figure 12.

![Figure 11: Distribution of Family Status (Selected Years)](image)

Black households that had a working wife had increases in their relative incomes over the period 1967 to 1990. In 1967 such Black families had median annual incomes of $28,695 (in 1990 dollars), while White families had median annual incomes of $40,040. By 1990 those amounts were $40,038 and $47,247 for Black and White families, respectively. Thus Black families with working wives earned 0.85 of the income of White families with working wives.

On the other hand, families headed by single female heads had incomes that were virtually flat at $12,000 (in 1990 dollars) for Black families and $19,000 for White families. In 1967 single females headed 27 percent of Black families and 9 percent of White families. By 1990 that percent had increased to 46 percent and 32 percent for Blacks and Whites, respectively.

Another factor in stagnant or declining relative Black economic status is that lower real earnings for Black families since the mid-1970s have resulted in the erosion of gains made in the 1960s and 1970s. As succinctly put in A Common Destiny: Blacks and American Society, by Gerald Jaynes and Robin Williams: “An important explanation... is that while the occupational positions and hourly wages received by employed blacks have continued to improve relative to whites, blacks’ relative employment has fallen significantly. As a consequence, incomes and aggregate measures of earnings, being largely composed of the product of wages and employment, have not kept up with gains in wages.”

**Conclusions**

The Black Adventist community is not homogeneous, and evaluation of relative economic status must be tempered by that fact. However, given the assumptions about tithe income, it is possible to conclude that Black Adventists have not kept pace with the relative gains of Blacks in general. While such a conclusion must be verified with more detailed and specific data, there appears a trend that suggests at best stagnant changes in the relative economic condition of Black Adventists. The analysis also suggests that the Adventist Church has far fewer resources to
apply to its mission than was available in the recent past.

The implicit model is tithe = F (income, other). It is assumed that the function is monotonic and linear, that is, as income increases, tithe also increases in a predictable way. It is an assumption that as household, family, or individual income increases, tithe returned will also increase.


See, for example, Microeconomic Analysis.


Because of the scarcity of goods and resources, rational individuals and groups will usually act in ways to conserve or increase their share of those resources. A measure of economic status, therefore, is the extent that any group commands those scarce resources in relationship to the command of resources by other groups.

Henry Felder and Thomas Hungerford, "Opportunities and Disincentives on the Road to Economic Independence" (U.S. General Accounting Office, GAO/HRD-93-23, 1993).

A ratio of group incomes is a convenient means of comparing relative economic status; however, it is not the only means. Average wage rates, hours of work, education levels, or any other flows or stocks can be used to describe relative status. In a cash society, income is probably the best means of determining relative economic status.

The Office of Human Relations of the NAD is attempting to address this issue; however, no reliable data exists.


This is the only year in our study for which data were systematically available on Black churches in the western U.S.

Black memberships in Canada and Bermuda are not part of this total since economic data on these groups were not available separately for Blacks. As noted earlier, this figure does not include Blacks who are members of conferences that are coterminous with regional conferences.

Sources of data on tithe and membership are the published Annual Statistical Report of the General Conference for the year cited. All dollar figures are current dollars unless otherwise noted.

The year 1950 was a very difficult year for Black Adventists and Blacks in general. There were 15 million Black Americans, and 63 percent of them lived in the South. Life expectancy for Blacks was seven years less for males and nine years less for females. The average Black adult aged 25 or older completed only seven years of schooling. The average income of a Black individual was $1,608.

There is virtually no data on the number of Black Adventists in the Pacific and North Pacific unions in 1950. The growth rates are all based on the memberships of the regional conferences.

Source of data on wages come from Income and Poverty (U.S. Bureau of the Census, Table P-2, CD-ROM, 1993). Consult that source for notes on how the data were kept consistent over the years.

There is little reason to believe that the results would be different for years not analyzed.
