



# Raising Local Resources

## Tithes and Offerings vs Profit and Loss

Glenn Schwartz, Executive Director, World Mission Associates

**T**he problem I am about to describe thankfully does not apply to all mission-established churches. But it is significant enough that I feel it deserves attention because of the negative effects it can have on the work the Church is called to do.

The Church is called to be a place of worship, fellowship, service and discipleship. It is not called to run income-generating businesses which are often created to compensate for low tithes and offerings. Sometimes church-run businesses, including development projects, become an alternative source of income to tithes and offerings. While churches are to run on tithes and offerings, businesses run on profit and loss.

In various parts of Africa, weddings have become big business opportunities where family and friends pay a considerable amount of money to a wedding organizer. Services include rental of the wedding clothes, arranging the location, transportation and reception. The details for the entire wedding are subcontracted to the wedding coordinator. One church I know about in East Africa looked upon this as an opportunity to earn money for their congregation. I learned about them when they asked for overseas funding to help launch their church-run business.

Church-run businesses are by no means limited to wedding services. They include agricultural projects, bakeries, clinics, taxi services or other so-called income-generating projects. Sometimes these projects are as large as a block of apartments (flats) designed to generate income to support a diocese, district or central office of a denomination.

The rationale behind church-owned businesses is that they would be a good investment because it generates local income for the church. If all goes as

planned, it would eventually reduce dependence on overseas funding. However, there seems to be something incompatible with church-owned investments and healthy sustainability. In other words, the churches most committed to owning income-generating businesses are the ones least likely to stand on their own two feet. One might ask what could possibly be wrong with a church-run business. After all, it is generating local income for doing God's work. It looks like an investment, not like charity. In reality, several things happen when churches depend on business income to sustain themselves. Let me mention a few:

First, a church-owned business can dominate the schedule of the church leader who must manage it. Church leaders are to give themselves to prayer and preaching (Acts 6).

Second, it does not follow that church leaders are natural born business managers. They are supposed to be spiritually gifted to impart the Word, seek converts, disciple believers and strategize outreach. When they become preoccupied with the bottom line of a church-run business, especially a questionably-run business, their workload increases significantly.

Third, inadequate income from church-run businesses sometimes leads to the need for subsidy from somewhere else – perhaps even from the church it is meant to support. During the missionary period when there was insufficient income to sustain business-like projects, funds given for evangelization in the sending country sometimes ended up being used to cover the losses of church-run businesses. Lest, you think this is something that only occurred many decades ago, one has only to look at some of the current development projects today to see

how church-run businesses are consuming funds originally intended for church growth and evangelism.

Fourth, income from church-run businesses can have a negative effect on tithes and offerings in local congregations. So long as church members believe that there is potential income from a church-run business, their conclusion can be, "The church does not need my money because they have a business." When that happens, church offerings suffer.

Fifth, sometimes church-run businesses are in competition with church members who are struggling to make a living without the benefit of support from the church or from overseas. For example, when that happens, a church member who runs a bookstore in his or her community may find that his or her biggest competition is another bookstore run by the church which may enjoy free rent and other advantages not available to the church member.

### **So, what about the church?**

There is a place for pastors and church leaders to generate their own personal income just as the Apostle Paul did. But these are not church-owned businesses. They are private individuals with a foot in two vocations – serving the church and earning their own income if the church is too small to pay them a full salary. But the bottom line is that churches should consider getting their income from tithes and offerings of their members, rather than from church-run businesses. f

*Glenn Schwartz is author of When Charity Destroys Dignity: Overcoming Unhealthy Dependency in the Christian Movement. It is available on the website of World Mission Associates – [www.wmausa.org](http://www.wmausa.org).*