

Churches adjust as inflation impacts ministry costs

July 12, 2022

NASHVILLE (BP)—The weekday preschool ministry at Englewood Baptist Church in Rocky Mount, N.C., feeds about 60 children a day, a number that doubles in the fall.

Food costs have always been a part of such ministries, but it's just one of several areas where inflation has commanded more attention.

Financial giving has remained on par, but the church struggles to keep up with the current costs of ministry, said Senior Pastor Chris Aiken.

For instance, Englewood has been looking for a worship pastor more than a year. The current housing market has made it more challenging to meet candidates' needs. Travel costs also must be considered for outreach and mission trips. On July 11, gasoline in the Rocky Mount area averaged \$4.15 a gallon, according to GasBuddy.

"These are just the circumstances we find ourselves in," Aiken said. "We're not going to slow visits or pastoral care, though. If it costs more to go on missions, we're still going to find a way to do it."

He's quick to point out that you can't get lost in stressing over what might be considered First World problems. Friends of his serving in South Asia churches, Aiken said, are dealing with much weightier issues than whether or not to buy a new whiteboard for a classroom.

Recession? Maybe not such a bad thing

The unofficial marker for a recession is two consecutive quarters of negative GDP growth, which the United States hit last week.

Some economists cite various factors in saying the country hasn't technically hit a recession. But for Americans facing decades-high inflation and record gas prices impacting grocery bills, it certainly feels like one.

David Spika, chief investment officer for GuideStone Financial Resources, said although recessions are viewed negatively, they serve a purpose in putting the economy closer to where it should be.

"In our current situation, a recession—assuming it's not a significant and deep one—would be the best-case scenario, because it's the only way to reduce inflation to a manageable level," he said.

Southern Baptists are not immune to a recession's impact. According to research conducted by former SBC Executive Committee CFO Bill Townes, the sharpest decreases in Cooperative Program giving came during the Great Depression and the recession that occurred in the early 1970s.

Cooperative Program giving fell by 19.57 percent in 1932 and then again by 22.09 percent in 1933. In 1972, giving witnessed a 21.4 percent drop.

The Great Recession that began in 2008 was the longest economic contraction since the Great Depression and led to a worldwide economic crisis. It also served as a marker for a pattern of decreased giving to the Cooperative Program, as the annual amount fell nine of the next 12 years.

Probably won't last long

Government stimulus checks issued during the COVID pandemic gave consumers cash on hand, which alongside a turn toward digital tithing helped church budgets to this day. However, it also laid the groundwork for the current inflation crisis.

“The employment market is strong, and people are in a good position to retain their jobs, but inflation is really taking a significant bite out of incomes,” Spika said. “It’s going to have an impact to some degree.”

History provides a good indicator that the current economic climate won't last long.

“Since 1946, the stock market has never had a negative return in the 12 months following a midterm election,” he said. “There’s always volatility going into the midterms and the market, on average, declines 19 percent sometime during that year. We were down 20 percent.

“We’ll get a more balanced government through this upheaval. Nobody wants to pay \$5 for a gallon of gas and not be able to afford a house or groceries.”