

The role of the church in economic development and the separation of the church and the state

by

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It is always difficult to speak on any topic where the church and the state are the subject of discussion. This is largely because these two institutions are seen as occupying two distinct positions in the society. The church is seen as the spiritual and moral authority, while the state is seen as comprising of political power. I will, however, attempt to speak on these two distinct institutions and I hope to draw some conclusions which will bring some perspective on the role of each.

The church has a critical role to play in the economic development of any country. Churches have, in the past, driven a crusade to provide education to people. In most countries, the education system that exists has its roots in the church. Churches such as the Roman Catholics and the Lutherans, just to name a few have had an enormous influence in educationally influencing the lives of many people. Personally, I am a product of a church-sponsored education system.

For an instance, when apartheid South Africa fed black children meager education, it was the church that attempted to provide alternative education.

The roots of Bantu Education in South Africa lie in the link between the economy and the church. Historically, the missionaries provided the livelihood of the black population in South Africa. However, owing to an economic slump that befell South Africa in XX, the missionary system could not continue carrying that burden. The regime of the time, saw an opportunity to introduce an education system which they found appropriate for the black population, in order to keep this people subservient to the white population. This ushered in bantu education in XX.

Today, as the education system rapidly deteriorates and the proliferation of private schools takes root, the church continues to find its influence in the provision of education. What does the provision of education by the church have to do with economic development? There is a direct correlation between these two. For without education, there is no basis for economic development. Economic development today, unlike many years before now, is directly linked to education. The economic systems of the world have become so complicated that even the average educated individual finds it difficult to comprehend. It is an open secret, corroborated by empirical evidence the fact that countries with the lowest levels of education experience the highest levels of poverty and vice versa.

To understand what happens in the economic environment, what drives the economic development and what threatens it, requires some level of education? Here the church, as with the state is presented with a challenge to provide empowering education. Even the Apostle Paul remarked on the importance of education. In his letter to his protégé, Timothy, Paul advises: “Study to show thyself approved.”

Taxes and tithe

There is another level at which the church can advance economic development – tithe.

The state uses the tax to run its affairs and provide services to its citizens, not abnegating the service delivery uprisings, which can be attributed to a number of factors that range from lack of capacity and to some extent greed. On the other hand, the church collects contributions or freewill offerings and tithes (the tenth of every income that a congregant earns or generates from business) from constituencies. With the proliferation of mega churches, accommodating thousands members every Sunday, churches these days are able to raise millions of rands in cash in a matter of weeks. The other aspect is that churches are exempted from paying tax because they are classified as not-for-profit organization in terms of the Companies Act of 2008.

It is further important to note that in most countries, churches are exempted from paying tax because they are classified as not-for-profit organisation. The question that begs to be asked is what happens to the money raised by these churches?

In 2006, a Packaged Facts report on religious markets, particularly in the United States, predicted that the overall religious market for publishing, inspirational merchandise, and audio/video/software product would grow to \$9.5 billion by 2010.¹

This is huge!

A year before that, the South African-based newspaper, the Mail and Guardian reported that Rhema Christian Church in Randburg raked in an income of just over R100 million from tithe

¹ Christine Hamilton-Pennell

and offering. I do not by any stretch of imagination suggest that all the churches raise this kind of money. However, with the proliferation of mega-churches, I am convinced that millions of rands get “raked in” every year. There are obviously diversified views on what the money could be used for.

This is my view: Churches should consider establishing a fund, geared towards economic development. The fund – perhaps to be called Interdenominational Economic Development Fund (INED), could afford churches an opportunity to play a meaningful role in the development of the country. Contributions to the fund should be open to all denominations that are passionate about development. The fund should be run by professionals with the necessary skills so as to grow the fund while ensuring that the purpose for which the fund was established is realised.

This is the challenge I am bringing to the doorstep of any church – whether mega or undersized. The money raised could be used to:

- Finance Small, Micro and Medium Businesses. SMMEs are seen as the hope for job creation in this country
- Develop publishing industries – as churches produce large quantities of motivational material
- Develop entertainment industries – as gospel music and films sell well
- Develop the much needed infrastructure (shopping centres, mixed housing projects)

These and other capital-intensive initiatives could help create jobs and arrest the scourge of poverty that threatens to destabilise our country.

When churches do this, they will be affirming Christine Hamilton-Pennell’s observation:

“Churches and other houses of worship are part of the network of assets in a local community. Regardless of the fact that their fortunes are tied to the rise and fall of the economy, they are a

significant force for economic development in at least three areas—as investors, consumers, and support groups for entrepreneurs.”²

The relationship between the state and the church

The issue of the relationship between the state and church has a long history. It can be traced to as far back as at the time of reformation. It was Martin Luther, one of the drivers of reformation, who coined the concept of “Doctrine of Two Kingdoms.” He argued that God exercises rule and authority through two distinctive ways. In this regard, God exercises earthly kingdom through the government and by means of law and the heavenly kingdom he exercises through the gospel and grace. At the risk of simplifying his thoughts, it can be deduced that Luther saw one type of authority vesting in the state and the other in the church.

The doctrine of separation of power was not exclusive to Luther. Many years before he came to the fore, the Catholics already took a position on this matter. Their views on this were encapsulated in what they called the “Doctrine of Two Swords”. In terms of this doctrine, there exist two powers – one is spiritual and the other is secular, with the spiritual taking preeminence over the secular. In simpler terms, the spiritual is symbolic of the church and the secular is symbolic of the political government system. Although both Luther and the Catholics believed and recognised the existence of these two powers, they were not clear as to whether there is a need to separate the two. However, it does seem as though they advocate for the co-existence of the two powers – the church and the state, with the church taking the lead.

² Christine Hamilton-Pennell

There are countries and states across the globe where religion/church and the state remain connected and, by implication, inseparable. Countries that practice the religion of Islam have, as part of their governmental system, aspects of shariah law. However, for the purposes of focus, I would like to restrict this discussion to the religion of Christianity in its many forms. There are two examples that come to mind: The State of Utah in the United States of America and the Vatican City in Rome. The State of Utah provides for an interesting case study. Controlled by the Mormons, the state became recognised in 1896. Seventy five percent of people in this state are Mormons – a sect of the Christian faith. As expected, the governor of the state has always been a prominent figure in the Mormon faith circles. As a state founded on religious values, Utah has some interesting facts, most of which tie back to the issue of the role of church in economic development. Some facts about the state of Utah in 2012³:

- **Employment Change**—Utah’s nonagricultural employment increased by an estimated 2.6%, or 30,300 jobs, between January 2011 and January 2012. Nationally, employment increased 1.5%, or 1.95 million jobs, from January 2011 and January 2012.
- **Unemployment**—Utah’s unemployment rate was 5.7% during January 2012, lower than the January 2011 unemployment rate of 7.5%. The national unemployment rate was 8.3% in January 2012 lower than the January 2011 rate of 9.1%.

The case of Vatican City⁴

While the State of Utah in the United States remains one of the relevant cases of the close relationship between the state and the church, the Vatican City represents an inseparable relationship between the two. To understand this, it is important to consider the following, that: “The Catholic Church carries out its mission of announcing the truth of the Gospel for the salvation of all humanity and in the service of peace and justice in favour of all peoples, both through the various specific and local Churches spread throughout the world, as well as through its central government. This is made up of the Pope and the Departments that assist him in

³ Utah.gov

⁴ Vatican State

carrying out his responsibilities towards the universal Church. The Vatican City State was founded 1929 and its nature as a sovereign State is universally recognized under international law.

South African churches and the state

In South Africa, there existed a cordial relationship between the church and the state. The influence of the church in the affairs of the state could also be seen in the legal system that got transplanted in South Africa. Canon Law, as the law of the church is known, was entrenched in this system.

The most notable influence of church in the affairs of the state could be seen in the entrenchment of segregation. The state, using the church-originated doctrine of Calvinism, encouraged the system of apartheid, which relegated black people to the position of subhuman. Calvinism maintained that everything has been predestined. For this reason, some in the church maintained that Whites were predestined for greatness, and that Africans were, from the foundation of the earth, made lower beings. This position was translated into the National Party policy of racial segregation and for more than four decades was used to unleash terror on the lives of Africans. As a group of theologians pointed in the Kairos document, released in 1985:⁵

“The South African apartheid State has a theology of its own and we have chosen to call it 'State Theology.' 'State Theology' is simply the theological justification of the status quo with its racism, capitalism and totalitarianism. It blesses injustice, canonizes the will of the powerful and reduces the poor to passivity, obedience and apathy.”

⁵ Kairos Document, 1985. South African History

Sustained by both Calvinism and “State Theology”, the apartheid system produced what former South African President, Thabo Mbeki, correctly labeled the country of two nations:⁶

“We therefore make bold to say that South Africa is a country of two nations. One of these nations is white, relatively prosperous, regardless of gender or geographic dispersal. It has ready access to a developed economic, physical, educational, communication and other infrastructure. This enables it to argue that, except for the persistence of gender discrimination against women; all members of this nation have the possibility to exercise their right to equal opportunity, the development opportunities to which the Constitution of '93 committed our country. The second and larger nation of South Africa is black and poor, with the worst affected being women in the rural areas, the black rural population in general and the disabled.”

It should be noted, though, that in as much as the pulpit was used to sustain the apartheid system, there were other churches that stood against the very system. For this reason, the church itself was divided on the issue of racial segregation.

Should the church and the state be one and the same thing? It really depends on where one stands. There are advantages and disadvantages either way. If the church is part of the state, and the state is seen to be going against the very essence of what the church believes, the church could risk its reputation. On the other hand, if the church does very well, the church could win over as many people as it can. The truth, though, is that it would be great were the two to remain separate.

⁶ Thabo Mbeki, Statement of Deputy President Thabo Mbeki at the Opening of the Debate in the National Assembly, on "Reconciliation and Nation Building, National Assembly Cape Town, 29 May 1998

For it was Jesus who responded to his inquisitive disciples: "Give to Caesar what is Caesar's and to God what is God's." At the risk of being accused of mutilating the Holy Scriptures, I can conclude that Jesus was establishing a clear demarcation between the state and the church.

I would like to leave this congregation with the words of Jesus Christ, as repeated in several gospels: "He who has ears let him hear."

End.