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Over the years, I’ve received numerous calls from lay leaders of congregations asking for guidance on the question that Becky McMillan and Matthew Price raise in the title of this important report: “How Much Should We Pay the Pastor?” Sometimes, the hidden question behind the question is “How little can we pay the pastor and get by with it?” Few issues are more likely to stir up controversy in a congregation than pastoral compensation.

Except for a fairly small number of elite ministers serving large or wealthy congregations, clergy salaries have almost always been low relative to other comparably educated professions. I can attest to that from experience. In 1957, my starting salary as a newly ordained pastor was $4,250, with no fringe benefits other than a modestly furnished parsonage. This was, by the way, considered a very good starting salary at the time. Many of my peers were paid several hundred dollars less. Converted to today’s dollars, my salary would be just over $25,000 before taxes. It took creativity and a charge account at a member’s grocery store for my wife and me to make ends meet!

Although some aspects of clergy compensation have changed for the better since that time, the gap between clergy salaries and those of other comparably educated professionals continues to grow. We often speak of medicine, law, and ministry as peer professions. When it comes to salary, however, the more apt comparisons are between clergy, public school teachers, and social workers, as McMillan and Price show. The salary and benefit situation is especially problematic for many African-American pastors.

To be sure, few choose pastoral ministry because of the salary it promises; yet the issue of just compensation cannot be ignored. In a culture driven by consumption, one that all too often measures personal worth by net worth and style of life, is it surprising very few bright, achievement-oriented college students give ordained ministry a second thought when making vocational decisions? Is it surprising, too, that many clergy and their spouses become bitter or discouraged over their relatively low salaries? Why too should we be surprised that worries over career advancement often diminish a pastor’s sense of calling? It is quite difficult to keep one’s call to ministry vital and healthy when there are constant worries about finances.

Because clergy compensation is such an important issue, it was one of the first Pulpit & Pew projects that we commissioned. We were fortunate to have as study directors Becky R. McMillan, associate director of Pulpit & Pew, who is also a United Methodist minister with a Ph.D. degree in economics, and Matthew J. Price, former associate director of Pulpit & Pew and now director of analytical research for the Episcopal Church Pension Board. Dr. Price, an Episcopal layman, holds the Ph.D. in sociology. The two of them have prepared an informative and provocative report.

We have also invited four respondents to reflect on the report’s findings and suggest important ways in which congregations and denominations might act on this important issue. They include United Methodist Bishop Kenneth Carder of the Mississippi Episcopal Area; Robert Dale, Director of the Center for Creative Leadership, who has written extensively on congregational life and church leadership; Dean James Hudnut-Beumler of Vanderbilt Divinity School, author of an important study on congregations and money; and Scott Wilson-Parsons, a United Methodist Pastor from North Carolina.

I commend this report to you. Whether you are a pastor of a congregation, someone considering a call to ordained ministry, a seminary student, a lay leader charged with recommending pastoral compensation, a denominational official who provides support and guidance to pastors and congregations, or simply someone concerned with the quality of the church’s ordained ministry, you will be stimulated by the report’s findings and recommendations. I hope that it will provoke a hard look at the way your congregation is compensating its pastoral leadership!

Jackson W. Carroll, Director
Pulpit & Pew: Research on Pastoral Leadership
In setting clergy salaries, most Protestant congregations and denominations, like the secular world around them, turn in varying degrees to the free market for guidance. Typically, for example, congregations look at what they have paid pastors in the past and what they can afford given their current membership, or they look at the salaries that similar congregations in the area offer to pastors. Others might look to denominational guidelines or average salary reports.

While these methods do shed some light on what a competitive, market-driven clergy salary should be, this report questions whether such an approach is appropriate. Instead, the authors suggest a better approach would be to set compensation sufficient to provide hospitality and a well-lived life for persons, and their families, who are compelled by a call from God to proclaim the Gospel. The report suggests that to do so, congregations might need to think and act collectively with other congregations rather than individually.

In the report, the authors initially compare Protestant and Catholic clergy salaries because they are products of different underlying rationales for how and why pastors are paid. The resulting differences in financial well-being of Protestant and Catholic clergy are used in the report to illustrate the relative benefits and concerns of relying on either a free market or a more centralized, collective decision-making approach to setting salaries for pastoral leadership.

The researchers further examine clergy salaries by comparing two types of church polity within the Protestant realm. The “Congregational” polity — primarily Baptists, but also, Pentecostals, United Church of Christ and others — contains those congregations that act with the greatest autonomy in determining clergy compensation and thus illustrate the strongest free market approach to compensation. Churches in so-called Connectional polities — primarily Methodists, Lutherans, Presbyterians, and Episcopalians — are subject to some degree of centralization such as minimum salary guidelines or requirements to pay pension and health care benefits and therefore illustrate the effects on clergy salaries of a mixed, centralized and free market, approach.

Generally, in all but the very largest churches, salaries for pastors in Connectional polities are higher than those paid to clergy in Congregational polities, even when controlling for pastor education, experience, and congregational wealth. The same holds true for pension benefits and health care coverage. The authors attribute the differences primarily to centralized decision-making in Connectional systems, which appears to encourage at least something of a livable wage minimum. However, regardless of polity, only a small percentage of pastors earn what most Americans would consider a professional level salary.

The report illustrates how the free market forces that drive secular salaries are also at work within the salary structure of the church. Church size translates directly into market power. To attract entrepreneurial clergy, some very large churches are paying entrepreneurial salaries. To earn enough money to pay back educational debt and save for college and retirement, clergy must seek to serve large churches or place their calls second to spouse’s careers.

The report also highlights the fact that while regional differences in salaries are not large, differences in salaries by church size are vast in all areas of the country. Congregations fall into either one of two groups: smaller-sized churches, where most pastors serve, that struggle to pay clergy even a modest stipend, and larger churches that pay high, competitive salaries. Smaller churches that cannot afford to pay a high enough wage to support full time or fully ordained clergy are increasingly moving toward part-time or less experienced or educated clergy, or have no pastor at all. The report raises particular concern over the state of salaries for African-American clergy, the restricted upward mobility of women clergy, and the growing burden of debt incurred by clergy to fund their theological education.

In the second half of the report, the authors examine the impact of clergy compensation on calling and commitment. Low clergy salaries, they contend, are making it difficult for pastors to be true to their call and are causing many talented graduates to enter other professions or other forms of ministry.
At the same time, inadequate compensation is inadvertently transforming ministry from a calling into a career. To accumulate savings, provide for their families, and pay off educational debt, clergy feel compelled to move up a career ladder to larger congregations. Many are forced to take on second jobs or depend upon an income-earning spouse, both of which limit the types of churches and ministries that a pastor can serve.

Local churches are also adversely affected by market approaches to clergy compensation. Rather than focusing on mission to the world around them, congregations must focus inordinately on church growth strategies to increase the market power needed to attract “good” clergy. Clergy who are financially dependent upon a congregation are less able or likely to lead in prophetic ways, since such leadership risks losing members and dollars.

The authors suggest that faith communities consider more regulation and cooperation between congregations and among denominations, particularly for providing clergy benefits such as health coverage, retirement benefits and theological education debt repayment.

The report also includes responses from four clergy.

The Rev. Kenneth L. Carder, Bishop of the Mississippi area of the United Methodist Church, says the underlying market ideology significantly influences UMC salary structure and clergy deployment decision. The United Methodist Church is particularly suited to examining the role of the free market within its mission, and he offers four proposals to help recover a missionally-based itinerancy and an adequately compensated clergy.

The Rev. Robert D. Dale, a church consultant and assistant executive director of the Virginia Baptist Mission Board, says the report’s findings are “surprises we should have expected” and essentially indicate that, whatever their denomination, pastors are underpaid. He calls upon congregations to take a more counter-cultural stance in addressing the tensions between mission and market.

James Hudnut-Beumler, Dean of Vanderbilt Divinity School, asks what the long term effects will be on middle-class churches of having a clergy that can no longer expect to live as one among the people they serve. In all polities, the ability and willingness of congregations to pay a professional wage for professional services is on the decline.

The Rev. Scott Wilson-Parsons, a United Methodist pastor, examines the emotional aspects of compensation and the differences in the ways in which pastors and congregations view compensation.
When congregations begin the search for someone to fill their pulpit, they must inevitably face the question, “How much should we pay the pastor?” Most congregations attempt to answer that question by looking at what they have paid pastors in the past and what they can afford given their current membership. Some will venture further and examine the salaries that similar congregations in the area offer to pastors. Others might look to denominational guidelines or average salary reports. Each of those avenues provides insight into what a competitive salary for clergy should be. None of these approaches, however, helps a congregation reflect on what the clergy salary is actually for. Is it to reward good preaching? Is it to attract a much sought-after visionary? Is it to pay a professional for ministerial services rendered? Or could it simply be to provide hospitality and a well-lived life for persons, and their families, who are compelled by a call from God to proclaim the Gospel. The authors of this report suggest that fresh reflection on the purpose and nature of clergy salaries is long overdue.

One possible eye-opening approach to such reflection is to compare Protestant and Catholic clergy salaries and reflect upon the nature of their differences. The way priests are paid seems counter-intuitive, if not counter-productive, to Protestant sensibilities. Priests’ salaries are not determined by how much the congregation wishes to pay the pastor. The most experienced priests make little more than their less experienced colleagues. Priests serving the equivalent of the “First Church” parishes in the city make little more than the priest of the smaller parish outside of town. Further, it is often assumed, incorrectly, that priests serving local parishes take a vow of poverty. For all of these reasons, priests’ salaries would appear to hold little in common with, and have even less to say about, salaries for Protestant pastors. As Table 1 shows, these characterizations hold true.

The median salary for priests (including housing and food) is less than two-thirds of the median salary (including housing) for pastors. And the range in priests’ salaries is much tighter. Salaries for priests in the 90th percentile (salaries greater than those of 90 percent of all other priests) are only two and a half times those of priests in the 10th percentile. In contrast, Protestant pastors in the 90th percentile earn nearly six times as much as their colleagues with salaries in the 10th percentile. However, a simple comparison of salaries does not truly reflect the financial quality of life of Catholic priests and Protestant pastors. While salary certainly plays an important role in priests’ and pastors’ standard of living, the lower salaries for Catholic priests are offset by the provision, at least in part, of their other financial needs, including health care, retirement, and theological education. The need for Protestant pastors to provide health care, retirement, theological education debt repayment, and possibly save for children’s college often causes a greater financial pinch. Given the real differences in salaries and financial well-being, the lower salaries for Catholic priests are offset by the provision, at least in part, of their other financial needs, including health care, retirement, and theological education. The need for Protestant pastors to provide health care, retirement, theological education debt repayment, and possibly save for children’s college often causes a greater financial pinch. Given the real differences in salaries and financial well-being, this report compares Catholic and Protestant clergy to shed light on question of how much to pay the pastor.

Catholic and Protestant salaries are products of different conceptions about how and why pastors are paid. Protestant congregations lean heavily on the free market to determine the salaries for clergy. This approach allows supply and demand in the clergy labor market to fluctuate freely and set the “price” for pastoral leadership or ministerial services. Pastors are given a financial incentive to perform at their best. Congregations are given a financial incentive to grow in order to have a greater number of options concerning the type and quality of pastor they can command. In Catholic parishes, however, clergy salaries are set by the diocesan bishop and are usually comparable.

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1 Salary figures were compiled from the Pulpit & Pew National Pastoral Leader Survey. This survey, conducted in year 2001, contains information on a nationally representative random sample of 883 clergy serving local congregations. For the figures in Table 1, the Protestant sample was restricted to “full-time” clergy only, that is, those who responded that they did not hold any other position of employment in order to restrict the sample to one most comparable to Catholic priests.
across a diocese. Parishes that could not normally afford a priest on their own are often aided financially. Priests are freed from financial constraints so that they can easily move between calls to serve in a small or mission parishes and larger parishes, as needed. Financial incentives are not what drive excellence in ministry. Faithfulness to one’s call must remain the primary source of encouragement to serve at one’s best capacity. The stated reasoning for such a salary structure is that it reflects the mission values of the Church related to economic justice. Because priests are compelled by God’s call on their lives to serve the church, bishops are called to serve as stewards of the communal resources that are to be used to provide a hospitable living situation for all priests.

Thus, we can compare the resulting quality of life for individual clergy and broader faith communities that operate under different “polities,” that is, the organization and theological grounding of the denomination or tradition to which individual congregations ascribe. We will compare clergy who are paid by congregations that act autonomously and set salaries based on supply and demand to clergy who serve congregations that are subject to moderate and complete restrictions on setting salaries as part of their participation in the mission of the larger faith community to which they belong. This report examines the differences in compensation and life circumstances for the pastors and their families under three broadly defined polities. This report will lift up other important contrasts in clergy salaries such as gender differences, race differences, and regional differences. In light of the findings, the conclusion of the report will highlight various aspects of the current state of clergy salaries that can be affirmed and those that might need to be challenged in the new millennium. Part I of this report describes the current state of clergy salaries and Part II examines the issues clergy face in balancing the commitment to their calls and their finances.
PART I: HOW MUCH DO CONGREGATIONS PAY THEIR PASTORS?

The range and level of salaries among clergy colleagues contributes in large ways to the well-being of clergy and quality of pastoral leadership accessible to congregations. As noted in the introduction, polity is one of the key factors that determines salaries. The defining characteristic of polity we focused on is the amount of regulation of clergy salaries to which congregations are subjected. Our “Centralized” polity contains the Roman Catholic Church. As described above, bishops act as stewards of community resources and thus decisions concerning clergy salaries are centralized. Centralization is the key factor that insulates the Roman Catholic Church from the free market. If Catholic parishes were subject to the free market, the decline in the number of priests that has occurred over the last few decades would have pushed priests’ salaries to higher and possibly unaffordable levels for smaller parishes. The efficiency of free market economics would have allowed only wealthier parishes to remain served by priests.

We separate Protestant congregations into two broad polity categories. Some Protestant congregations participate in denominations that use elements of centralization, such as minimum clergy salary guidelines or requirements to pay clergy pensions and health care. We named this more centralized Protestant polity category “Connectional,” borrowing a term from the Methodist denominations that comprise the majority of all such congregations. Congregations in the other major category of Protestant polities act fully autonomously in determining clergy compensation. These congregations are not subject to centralized regulation, but instead are subject to the forces of supply and demand in the free market to determine how much they have to pay the pastor and ultimately, what type of pastor they will be able to attain. We name this category “Congregational,” borrowing a term from the Baptist polities that comprise the majority of congregations in this polity. Table 2 gives the breakdown of each of the two categories of polity into denominational families.

**Table 2**

**Distribution of Protestant Church Polity by Denominational Families**

<table>
<thead>
<tr>
<th>CHURCH POLITY</th>
<th>DENOMINATIONAL FAMILY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connectional (some centralization)</td>
<td>Methodists 45%</td>
</tr>
<tr>
<td></td>
<td>Luthers 25%</td>
</tr>
<tr>
<td></td>
<td>Presbyterians/Reformed 12%</td>
</tr>
<tr>
<td></td>
<td>Episcopalians 7%</td>
</tr>
<tr>
<td></td>
<td>Other Mainline/Liberal Prot. 11%</td>
</tr>
<tr>
<td>Congregational (decentralized – “free market”)</td>
<td>Baptists 42%</td>
</tr>
<tr>
<td></td>
<td>Pentecostals 11%</td>
</tr>
<tr>
<td></td>
<td>United Church of Christ 6%</td>
</tr>
<tr>
<td></td>
<td>Other Evangel/Conserv Prot. 20%</td>
</tr>
<tr>
<td></td>
<td>Independent Protestants 21%</td>
</tr>
</tbody>
</table>

Table 3 compares median salaries by church size within different polities. Also included in the table is the percentage of priests or pastors serving among the various size categories, where size of congregation is measured by average weekly attendance. This table highlights several of the key messages of this report: (1) the structure of salaries between Protestant and Catholic polities differs greatly, particularly at large churches; (2) most Protestant pastors serve small attendance churches; (3) at smaller churches, salaries are significantly higher at the more centralized Connectional churches than at decentralized Congregational churches.

Note that in this table, as opposed to the table presented in the introduction, we do not restrict the sample to full-time pastors. We take into account full- vs. part-time work for salary differences in later analysis. For now, this table represents most accurately the types of salaries and relative proportions of those salaries that are being offered by congregations across the United States.

As one can see from the data, priests’ salaries are modest and increase only modestly as the size of parish increases. In contrast, Protestant salaries grow steeply along with the size of the congregation. However, very few Protestant pastors serve higher-paying, large-church positions. The common perception that most pastors serve “big steeple” churches with a large Sunday morning worship attendance is not accurate. More than half of the Connectional pastors and near-
ly two-thirds of Congregational pastors serve churches with 100 or fewer in attendance. It is striking to note the small percentage of pastors serving churches with what American society might consider a professional salary level. The median salary for teachers who hold a graduate degree is $45,000.3

Connectional pastors have higher median salaries than Congregational pastors at every size church, except possibly very large-sized churches. At small churches, Connectional traditions may require, encourage, or help support smaller churches to provide minimum salary. Thus, the Connectional polities appear to encourage something of a livable wage minimum. Because most pastors serve small churches, this results in higher median salaries for Connectional vs. Congregational polities except for the highest earning pastors.

How much does Polity affect salary levels and growth?

A different explanation for the difference in Connectional and Congregational median salaries is that pastors in Congregational traditions have less education than those serving Connectional churches. Most Connectional denominations require seminary education of their clergy, while few Congregational traditions use education to control entry into ministry. Only 53 percent of Congregational pastors in our sample have a Master of Divinity degree (or greater), compared to 85 percent of the Connectional pastors in our sample. However, this cannot be the full story. Restricting the sample to those with a Master of Divinity degree or higher, Congregational salaries for seminary-educated pastors remain almost a third lower than those of seminary-educated Connectional pastors at small-sized churches, and roughly 10 percent lower at medium-sized churches.

<table>
<thead>
<tr>
<th>POLITY</th>
<th>ATTENDANCE</th>
<th>HOLD A GRADUATE DEGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catholic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(centralized)</td>
<td>Small (&lt; 100)</td>
<td>10% $20,883</td>
</tr>
<tr>
<td></td>
<td>Medium (101-350)</td>
<td>34% $24,170</td>
</tr>
<tr>
<td></td>
<td>Large (351-1000)</td>
<td>35% $24,735</td>
</tr>
<tr>
<td></td>
<td>Very large (1000+)</td>
<td>20% $26,633</td>
</tr>
<tr>
<td>Connectional</td>
<td>Small (&lt; 100)</td>
<td>56% $36,000</td>
</tr>
<tr>
<td>(mixed)</td>
<td>Medium (101-350)</td>
<td>38% $49,835</td>
</tr>
<tr>
<td></td>
<td>Large (351-1000)</td>
<td>6% $66,003</td>
</tr>
<tr>
<td>Congregational</td>
<td>Small (&lt; 100)</td>
<td>63% $22,300</td>
</tr>
<tr>
<td>(decentralized)</td>
<td>Medium (101-350)</td>
<td>32% $41,051</td>
</tr>
<tr>
<td></td>
<td>Large (351-1000)</td>
<td>5% $59,315</td>
</tr>
<tr>
<td></td>
<td>Very large (1000+)</td>
<td>0.5% $85,518</td>
</tr>
</tbody>
</table>

2 The data for this report comes from the Pulpit & Pew National Pastoral Leader Survey conducted in year 2001. Hyper-network sampling was used to construct a nationally representative random sample of 883 pastoral leaders of local congregations from 81 distinct faith traditions. Sample selection began by asking participants in the 1998 General Social Survey if they attended religious services and, if so, to list the name and address of that organization. This process resulted in a pool of 1355 congregations. Removing congregations that did not have leaders (Quakers and Jehovah’s Witnesses, for example), those that were not actually houses of worship, and a few who were duplicates resulted in a final sample of 1204 congregations. Due in great part to persistent and committed interviewers at National Opinion Research Center (NORC), as well as the endorsement from leaders in several of the denominations, 883 of the 1204 pastoral leaders agreed to participate in the forty minute phone interview, a response rate of 73 percent. Non-response bias appears limited. Following standard statistical methods for hyper-network samples, the data were weighted by the inverse of congregation size in all calculations, unless otherwise indicated.


A second explanation for differences in salaries might be that more of the Congregational pastors serve part-time. It is true that 31 percent of Congregational pastors work part-time, while only 21 percent of Connectional pastors work part-time. However, the median full-time salary for Congregational pastors is $39,000, 15 percent less than the median full-time salary for Connectional pastors, $46,000. Part-time salaries differ as well, $16,000 for Congregational pastors versus $31,000 for Connectional. Looking at it in another way, the average “hourly wage” (using the annual salary and total hours worked per week reported by the pastors) for a full-time Congregational pastor is $12, while it is $16 for a full-time Connectional pastor.

Given these differences, we concluded that the polity itself has some effect on salaries offered to pastors. However, salaries are the result of a complex set of factors which may also be strongly correlated with these two polities. The Connectional, mostly mainline, churches are on average larger, even within the pre-designated size categories. Size, rather than polity might be the true reason for the differences in the median salaries, thus making polity simply a proxy for size. Similarly, the income of the laity (though not the tithing percentages of the laity) is higher for Connectional churches. As we saw above, the education levels of the pastors are higher in Connectional polities than in the Congregational polity, while part-time calls are more prevalent in Congregational polity.

When we looked at some of these factors separately above, they did not appear to explain the salary differences between polity. Our data present a unique opportunity to examine more fully the relationship between polity and salary, while at the same time accounting for the other differences between the polities that are related to salary. During the time that we collected our leader data for the Pulpit & Pew National Pastoral Leader Survey, our research partners at the Presbyterian Research Services surveyed all attendees on the weekend of April 29, 2001, at the morning worship services of those same leaders’ churches. Their survey included questions on income and giving levels of attendees, which we have linked to the salary data for the pastor.

Table 4 illustrates the differences in the above mentioned factors and shows that they are highly related to polity. Size, wealth, education, as well as experience, all differ, often greatly, between Connectional vs. Congregational polities.

<table>
<thead>
<tr>
<th>TABLE 4</th>
<th>DIFFERENCES IN CHARACTERISTICS OF CONGREGATIONS AND PASTORS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CONNECTIONAL</td>
</tr>
<tr>
<td>Average Number in Worship Attendance *</td>
<td>94</td>
</tr>
<tr>
<td>Average Household Income of Laity *</td>
<td>$56,000</td>
</tr>
<tr>
<td>Percent of Laity that Tithe (Give 10%+ of Net Income) *</td>
<td>21%</td>
</tr>
<tr>
<td>Percent of Pastors with MDiv degree or Above *</td>
<td>94%</td>
</tr>
<tr>
<td>Average Years in Ministry for Pastors</td>
<td>17.9</td>
</tr>
</tbody>
</table>

* Differences statistically significant at .05 or higher.

The higher salaries in Connectional polities are likely to be attributed not only to the strong guidance of centralized decision making, but also to the larger number of laity (even within our size categories), higher income of laity, and higher education of the pastors. The only factor that might provide a counterweight to these forces is that (self-reported) giving levels are much lower within Connectional churches. However, while the giving percentage may be lower, the absolute total giving in a particular church may be higher. In fact, we find that in comparing Connectional and Congregational salaries, once we take into account the larger congregation sizes and higher laity income in Connectional churches, the giving level of the congregation does not have a statistically significant impact on clergy salaries.

The response rate for churches selected for the attenders’ survey was roughly 30 percent, thus only a sub-sample of our data contain these additional data items. Some non-response bias is present in the following analysis due to the lack of very large churches. However, we do have unique data on 425 congregations and parishes and the effects of non-response bias appears minimal. See Cynthia Wooliver and Deborah Bruce, A Field Guide to U.S. Congregations (Louisville, Ky: Westminster John Knox Press, 2002) for an analysis of results from the attendee survey.
So, churches within Connectional polities also happen to be on average larger and richer, and they hire clergy with higher education. Does this explain all of the difference in salaries or is there some residual impact of the different pressures put on clergy salaries by the two different polities? Our data suggest that there is. Using regression analysis to account for background characteristics of congregations and pastors, we found that average salaries for pastors are still higher in Connectional polities (see Appendix A for regression analysis). However, we found that salaries for pastors in Congregational polities increase faster as size of congregation increases.

In Figure 1, we used the estimated coefficients from the regression to estimate the “pure” polity effect on salary. For example, say Rev. John Doe is the average pastor in our sample (a pastor with 20 years experience in the ministry, a seminary degree, and serving in a church with average lay income of $49,000). We compared what his salary would look like at various sized churches under the two polities. In the graph, we used the actual church sizes from our sample to predict what Rev. Doe’s salary would be if his salary were determined in the free market of the Congregational polity and the more centralized market of the Connectional polity. At the smaller churches, the average pastor is better off financially in the Connectional polity. It provides a higher salary – about $7,000 more at the smallest size church. The difference diminishes as size of church gets larger until the Congregational salaries surpass the higher starting level for Connectional churches. At around 180 attendees our average pastor would make $52,000 under either polity. Above 180 attendees, he would make a higher salary in a Congregational church.

The average salaries for pastors with the same education and experience, serving laity with the same aver-
We suggest that a larger labor supply cannot fully explain the lower salaries at Congregational churches. Higher Connectional salaries at small, but similarly financed churches are due in part to centralized decisions over salary levels. Minimum salary guidelines are recommended, and sometimes even supported through sharing of resources within a denomination. This is good for pastors not only in that they earn closer to a livable wage, but also because promising young ministers are not discouraged from entering the ministry.

However, these benefits do not come without cost. One argument often made against putting any constraints on allowing the free market to set wages is that it discourages excellence. There may be some evidence for this: slightly less than 40 percent of those sitting in a Connectional pew feel strongly that their pastor is a good match for the congregation. This is true whether age level of wealth are higher under Connectional polities than under Congregational polities at most of the existing churches. Part of the difference in salaries may be the result of differences in clergy labor supply. Congregational salaries may be lower because there are more Congregational clergy and close substitutes. Larger supply results in lower salaries. One might expect that there are more potential pastoral leaders in the Congregational labor pool because there are fewer requirements for ordination (e.g., formal theological education). Yet, we show below that Connectional churches are also not shy about reaching out to the supply of close substitutes for pastoral leaders, such as part-time, retired, and student pastors. For those reasons and others, it is difficult to know for sure whether the potential clergy labor supply pool is larger for Congregational than for Connectional polities.

the denomination assigns pastors, as in the United Methodist Church, or allows congregations to call their own. In contrast, nearly 60 percent of all persons sitting in the Congregational pews feel that way. And, possibly reflecting these levels of satisfaction (though certainly reflecting different emphases in theology as well), we saw above that 51 percent of those in the Congregational pews state that they tithe, versus only 21 percent of Connectional attenders.

**How do fringe benefits differ between polities?**

The contrasts between the polities show up clearly in provision of benefits. Figure 2 highlights the great difference in pension benefits provided for Congregational pastors using the original sample of 883 pastoral leaders. The difference is particularly acute (80 percent vs. 30 percent) at small, Protestant churches, where nearly two-thirds of pastors serve.

Our data do not offer detailed information on health-care benefits provided by congregations. However, we did ask if the clergyperson was covered under a health care plan provided by his or her church or spouse. Only 60 percent of pastors serving small Congregational churches and 80 percent serving medium Congregational churches are covered by health care, compared to at least 90 percent coverage for nearly all other pastors.

**How fast do Protestant clergy salaries grow with experience?**

Clergy salaries in general grow only modestly with years of experience. Using the regression analysis above to hold constant the effects of education, polity, church size, and wealth of laity, we found that on average clergy salaries grow about $1,000 per year for the first 10 years. After those first 10 years, they rise only gently, if at all, for the next 20 years, then decline steadily as retired and semi-retired pastors serve smaller churches with more moderate means. Pastors reach about a $10,000 increase over their starting salary after 15 years and do not increase much beyond that. Patricia Chang’s recent study of clergy careers suggests that few senior, high-paying career options exist for pastoral leaders. The flat growth in clergy salaries confirms this.7

**Do congregations in the city pay more than congregations in the country?**

In addition to examining the effect of the tensions between market and mission on salary and benefits, we use the reported salaries provided from the Pulpit & Pew National Pastoral Leader Survey as well as other data sources to examine key aspects of the current state of clergy salaries. Questions we attempt to shed light on in this and subsequent sections include: How much variation in clergy salaries across regions and between rural and urban areas exists? How have clergy salaries changed over time and relative to other vocations? And, what is the current status of salaries for women clergy and for African-American clergy?

To estimate the extent of differences in salaries across the regions of the U.S., we looked at the United Methodist population of fully ordained pastors. In restricting attention to one denomination (the second largest Protestant denomination) and to one type of clergy, we were able to take into account much of the other reasons for differences in salaries across regions and examine the regional differences in isolation.8

Although United Methodist data do not indicate directly whether or not the church is located in a rural or urban setting, we use whether a church is yoked or not as an indicator for rural area. Nearly all yoked churches, that is, a “circuit” of churches served by one pastor, are in rural areas. This is not a perfect measure as non-yoked appointments can be either in rural or urban settings. But we did find that next to church size, whether or not a parish is in a rural setting is the most important variable to determine salary levels. Salaries at yoked churches are lower by a quarter, or even by half at the smallest churches, compared to similarly-sized non-yoked churches. One explanation for the difference may be that the cost-of-living index in less densely populated areas (15,000 to 1,500,000 persons) is roughly one-third less than the cost-of-living index for urban areas.

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7 For further analysis of the labor supply of clergy and clergy careers, see Chang, Patricia M. Y., “Clergy Supply and Demand” and “Clergy Careers” (Durham, NC: Pulpit & Pew Report Series) In press.

8 The data for UMC clergy salaries comes from the General Minutes of the United Methodist Church which contains salary information on all UMC pastoral leaders. There are nearly 15,000 pastors in the pool we used in this analysis.
Do some regions of the country pay higher clergy salaries than others?

For the reasons stated in the above section, we used the UMC fully ordained clergy sample to compare clergy salaries across the U.S. The United Methodist Church divides the U.S. into five regions: North Central, Northeastern, South Central, Southeastern, and Western. At first glance, region appears to have little effect on levels of clergy salaries. Median salaries are quite similar, ranging from $34,000 to $36,000 across regions overall. However, for the smallest churches (where most pastors serve), the differences across regions are larger. Median salaries at small churches range from a low of $17,000 in the two Southern regions to $29,000 in the Western region. Differences in salary levels at medium-sized churches are not as large; they range from $30,000 at the two Southern regions to $36,000 in the Western region.

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At large- and very large-sized churches, the South Central region shows the greatest reversal in median salaries compared to other regions. It moves from lowest median salaries at small- and medium-sized churches to the highest-paying average salaries at very large churches. Southeastern large and very large churches pay the highest median salaries across regions, $46,000 (large) and $85,000 (very large), compared to the lowest median salaries of the Western region: $45,000 (large) and $77,000 (very large). North Central salaries, on the other hand, are the reverse; they are relatively high for small- and medium-sized churches and relatively lower at large and especially very large churches.

In contrast with urban versus rural salary differences, the above pattern suggests that differences in cost of living is not the full explanation. The cost-of-living index is 4 percent higher in urban areas of the West and 7 percent higher in urban areas of the Northeast than in urban areas of the South or Midwest. The regional levels of clergy salaries summarized above do not follow this pattern; Southern salaries are equal to or higher than Western salaries overall and particularly for larger churches located in urban areas, when they should be 4 percent lower. Northeastern salaries are equal to or lower than Southern salaries, when they should be 7 percent higher.

Cost-of-living adjustments in salaries do not affect clergy salaries in the same way they might for other vocations. One reason for this may have to do with where churches are located. Many occupations are located in urban areas where cost-of-living adjustments may be important determinants of salary levels. If, however, most churches are located outside the urban center they would be less affected by urban prices. Because the cost-of-living index computed for less densely populated areas (50,000 to 1,500,000 persons) is nearly identical across all regions, church salaries would not reflect a cost-of-living adjustment. A second reason why cost-of-living adjustments seem to have only small effects on clergy salaries is that one of the largest factors that determines the cost-of-living index is housing. If housing is provided for clergy, then the salaries will not reflect differences in housing prices across regions as strongly as salaries in other occupations.

How have clergy salaries changed over time and relative to other vocations?

Despite the overall low levels of clergy salaries, it should be noted that at the top end, clergy salaries have grown over time. When we examined salaries for fully ordained clergy in the United Methodist Church for the period of 1990 to 1998, we found that median total compensation grew from $40,000 to $42,000 (both figures in 1999 dollars), or 5 percent over and above inflation. The growth rate in median total compensation was the greatest in the Southeastern region, where salaries outpaced inflation by 10 percent. This is in spite of the fact that the number of fully ordained clergy has decreased, and many have been replaced by less professionalized or retired clergy, who earn significantly lower salaries.

However, median salaries for all clergy in the United States have increased over the last 25 years. Using the Current Population Survey (a survey of a random sample of employees across the United States.

conducted each year by the Bureau of Labor Statistics), we find that over the past 25 years, salaries for clergy with graduate level education have outpaced inflation. In 1976, the median salary for full-time clergy with graduate-level education was $25,000 (all figures in 1999 dollars) and in 1999, the median salary was $40,000. It should be noted, however, that the increase in the national median of clergy salaries is due in part to the decreasing number of Catholic priests (who earn lower salaries) relative to Protestant pastors.

How clergy salaries have fared relative to other professions depends on how one frames the question. Figure 3 shows how median earnings for full-time, graduate-level educated doctors, lawyers, teachers, social workers, and clergy have changed over the last 25 years. The lowest line on the graph represents median clergy salaries. Median salaries for clergy have grown steadily over time to become comparable to those of teachers and social workers. Median salaries for doctors and lawyers have always been much greater than for the other three professions and the gap has widened over time. From 1976 to 1999, median salaries for doctors grew from $68,000 to $100,000 and for lawyers grew from $48,000 to $75,000. However, while the gap between the median salary for clergy and those for doctors and lawyers has grown in absolute terms, clergy salaries have not changed much in relative terms. In 1976, the median clergy salary was 36 percent of the median doctor salary; in 1999, it was 38 percent. The median clergy salary was 52 percent and 50 percent of the median lawyer salary in 1976 and 1999, respectively.

How far have congregations come in giving equal pay to women clergy?

To examine this question, we return to the Pulpit & Pew National Survey of Pastoral Leaders categories, but divide the data into categories of theological orientation rather than polity. We restrict our attention to the mainline for the comparison of clergy men and women’s salaries because less than 3 percent of the conservative pastors are women (and obviously, no Catholic priests are women). In the mainline, 18 percent of the pastors surveyed are women. For anyone who has looked around seminaries or clergy gatherings lately, our percentage...
How different are Black and White clergy salaries?

African-American pastors make up a sizable minority (16 percent) of the Protestant pastors in our survey. We examined the trends in African-American clergy by comparing clergy income, bivocationalism, and education with those reported for a sample of rural and urban African-American clergy in Lincoln and Mamiya’s seminal work on African-American clergy and churches, published in 1990. At that time, African-American clergy salaries were quite low. Only 12 percent of the respondents had annual gross income of $33,000 or more (all figures inflation-adjusted to year 2000 dollars) and 43 percent earned less than $13,000. The picture at the top has improved in the last 10 years: 27 percent now earn $33,000 or more. However, 41 percent still earn less than $13,000. It appears that while there are large number of pastors earning well below a livable salary, a significant number of African-American pastors have broken out of the typical clergy salary ranks and are earning higher dollars. In contrast to the experience of women clergy, 15 percent of the top earners in our sample of clergy are African-American, nearly the same percentage of pastors in our sample that are African-American (16 percent).

At the other end of the scale, of those earning less than $13,000, nearly half are bivocational. In fact, 43 percent of all African-American pastors are bivocational, including 16 percent of those who earn over $33,000. What has changed is the type of employment. Ten years ago, 40 percent were blue-collar or farm workers – the largest proportion reported in Lincoln and Mamiya’s 1990 study. Today, 72 percent of the second jobs are white collar or clerical work, 25 percent are in service, and 3 percent are traditional blue-collar jobs (transport and laborers).

The education levels of clergy have also improved. In 1990, a little over one-third reported having had a


A previous national random survey, the National Congregations Survey (Chaves, et al., 1999), reported a slightly higher proportion (20 percent), thus our sample may slightly under-represent the proportion of African-American pastors due to non-response bias. However, many African-American pastors from various backgrounds and contexts did participate, and important insights can be gleaned from this sample of pastors.
graduate degree (of any specialization). In 2000, 46 percent have a Master of Divinity degree or higher. However, from another perspective, the trend may not be so positive. Of the newcomers, those in ministry ten years or less, only 22 percent report having an M.Div. or higher.

While many of the above reported trends are positive, the gap between black and white salaries remains large. African-American clergy salaries are two-thirds of white clergy salaries. Some of the gap can be accounted for by differences in education. Overall, only 46 percent of African-American clergy have an M.Div. or higher, compared to 72 percent of white clergy. In Connectional polities, 89 percent of white clergy have an M.Div. or higher, compared to only 44 percent of African-American clergy. In Congregational polities, the gap is smaller: 54 percent vs. 47 percent.

However, most other factors that affect salaries would suggest African-American salaries should be more comparable to white salaries. African-American churches have slightly larger attendance: a median of 100 versus 85, and the percent of African-American clergy who serve small churches is 56 percent versus 61 percent for white. The average percent of attendees who report they tithe is 57 percent in churches of African-American clergy, versus 38 percent in those of white clergy. And, despite the fact that African-American incomes are lower than those of whites in national averages, the distribution of self-reported income levels in the congregations where African-American clergy and white clergy serve are remarkably close. On average, 36 percent of congregation members of both African-American and white clergy earn less than $25,000; 34 percent of African-American clergy’s members and 30 percent of white clergy’s members earn $25,000-$50,000; and 30 percent of African-American clergy’s members and 34 percent of white clergy’s members earn over $50,000.

The race gap in provision of benefits is startling. In Connectional polities, 90 percent of the congregations of white clergy pay into a retirement benefits fund compared to less than half (42 percent) of the congregations African-American clergy serve. In the Congregational polity, where benefits provision is already lean, it is markedly worse for African-American clergy, at only 28 percent. And although our measure of healthcare benefits is imperfect, we can clearly see that African-American Connectional clergy are at greater risk of healthcare expenses: only 56 percent are covered under either the plan provided from their employment at the church or their spouses’ healthcare plan versus 93 percent of white clergy. Interestingly, serving in a Connectional polity does not seem to improve healthcare provision for African-American clergy. African-American clergy serving in a Congregational polity are better covered for healthcare than their Connectional peers. And there is more equality in the Congregational polity. Coverage is 68 percent for both African-American and white clergy.

The approach to salaries in the African-American setting is distinct from that of the white setting. African-American salaries and benefits are lower than those of white pastors, but not for obvious reasons. On average, salary and benefits are much lower, despite the fact that 1) African-American pastors serve larger churches, 2) average lay income is similar between African-American and white churches, and 3) the percent of laity who report they tithe is higher in the African-American pastors’ churches. The difference in salary might be explained by the fact that it is common for, and possible expected of, African-American pastors to take lower salaries and work second jobs to supplement their clergy salaries.
Low salaries and declining professional levels of ministry are causing many talented graduates to enter into other professions.

Low salaries and declining professional levels of ministry may well be causing many talented graduates to enter into other professions or forms of ministry other than serving local congregations.

But this should be considered in light of the mission of a faith community and the role of spiritual leadership. As the author of Proverbs puts it, “Give me neither poverty nor riches. Feed me the food that I need, or I shall be poor, and steal, and profane your name. But feed me with only the food that I need, otherwise I shall be full, and deny you, and say ‘Who is the Lord?’” (Proverbs 30:8-9). A possible standard of living for clergy families might be one that allows for reasonable food, housing, and clothing expenditures. Many would also argue that a reasonable standard of living should also include the ability to finance children’s college education, to save for a retirement income that maintains working-life standards, and to pay off one’s own educational debt. This expanded definition might be called a middle-class lifestyle. One of us has argued elsewhere that the main source of stress for clergy around salary is not so much from a lack of material possessions, but rather from the inability to maintain a lifestyle consistent with middle-class expectations and expenditures.  

How do clergy solve their financial dilemmas?

As we saw above, the salary levels at most small- and even medium-sized churches make the chances of their clergy being able to maintain a middle-class lifestyle slight. We also saw that the majority of clergy are located in those churches. While pastors may feel called to serve small or poor congregations, the costs of doing so might be considerable. In order to accumulate savings and pay off educational debt, they need to progress to larger congregations with correspondingly larger salaries. The salary structure is such that clergy wishing to maintain a middle-class lifestyle must take on a “career” as opposed to a “calling” mentality. Local congregations, rather than focusing on their mission to the world around them, must focus inordinately on “church growth” strategies in order to increase their market power to attract good clergy.

Clergy who do not climb the salary ladder may still be able to maintain their family within a middle-class lifestyle if the pastor takes on a second job, or if another income earner within the household makes this possible. Both of these options allow for greater financial flexibility, but limit geographically the churches and types of ministries that can be served.

How different are the financial problems faced by clergy men and women?

Presbyterian Research Services kindly shared the data from their 1995 salary survey with us so that we could re-analyze it with our particular questions in mind. One of the first observations to make is that the family and financial contexts for the men and women clergy who participated in this survey differ markedly. In these data, after controlling for age and length of time in ministry, women make on average at least $6,500 less than men do. However,  

14 The Presbyterian Research Services report produced from these data is found in Pastor’s Compensation Study: Summary of Results (Louisville, Ky: Presbyterian Research Services, 1995).
the picture is reversed if one considers total family income. A study by Ellis Larson suggests that total household income of clergy women is 20 percent greater than that for male clergy. The Presbyterian survey data support these findings as well. We find that 72 percent of married clergy women in their thirties and forties are in the $50,000+ family income bracket compared to only 43 percent of married clergy men in their thirties and forties. Thus, in a broad sense, one may expect that men and women face different pressures and constraints.

For men with children in the Presbyterian survey, 38 percent believe their salary is too low to allow them to finance their children's education. For men who entered the ministry in their twenties and who are now aged 35-44 with children, 73 percent believe their salary is too low to allow them to put money aside for savings and retirement. The proportion of this group that is anxious about putting money aside for education rises to over 90 percent when a pastor's income is under $55,000. Moreover, 50 percent of male pastors with children believe their salary is so low that their spouses are “forced to work,” a figure that rises to over 70 percent when the pastor's income is below $55,000.

While the above concerns may affect clergy men disproportionately more than clergy women, the women in this survey express similar levels of concern over their compensation, except in the area of funding children's education, where the average level of concern for women is much less. This may be due in part to the overall younger age of the women in the survey and the fewer of them with children. However, another factor that may create this phenomenon is that the women clergy in this survey have higher family incomes than their male counterparts and thus are able to provide for their children's college education out of their spouses' incomes. This poses a contrasting set of issues, particularly acute for clergy women.

In certain socio-economic comparisons, such as the houses they live in and the type of opportunities afforded to their children, clergy women may be in a more privileged position overall. However, this higher standard of living comes at the cost of the clergy having to place their careers in second place to those of their spouses. While having the ministry as the “second career” in some ways solves the financial difficulties created by low clergy salaries, it creates an array of other difficulties for clergy to fulfill their calls to ministry. First, higher spousal salary levels affect how the ministers' work ranks within their own household economies. The ministry can literally become the second career, taking second place in terms of career moves, while being first in terms of showing flexibility for family commitments. Congregations that pay lower salaries have to have lower expectations of the pastor's availability.

Second, the spouse's job often becomes the determining factor of where clergy will accept a call. Clergy are restricted to accepting calls near large urban areas or remaining in the same geographic locale throughout their careers. These dual-career issues are by no means a phenomenon restricted to clergy women. Given the relative level of clergy salaries as compared to nearly all other professions, many clergy men as well as women face this situation. And this phenomenon not only affects the clergy, it also poses serious problems for small or rural churches. One Lutheran report pointed to a growing number of small churches that had no pastor, rising from 18.1 percent of small churches in 1987 to 38.4 percent by 1998. We reported Presbyterian figures above, where 62 percent of small churches were without pastors in 1998. Many new clergy are reluctant to be appointed to small rural churches because of spousal employment issues. Rural United Methodist churches have responded to this phenomenon by shifting away from calling full-time or fully ordained clergy. Between 1992 and 1998, the number of fully ordained pastors serving churches decreased by 1,019 (from 16,017 to 14,998) while the number of local, student, and retired pastors serving churches increased by 1,068 (from 3,887 to 4,995).16


16 A “local pastor” in the United Methodist Church is considered to be only ordained in a limited way. That pastor is consecrated to serve one particular church and has limited authority outside that church. Only 4 percent of all United Methodist clergy are full-time local pastors; however, 15 percent are part-time local pastors. Members of this latter group would most likely have a second career that would provide income to allow them to serve a church that cannot afford to pay a livable wage.
Another major factor affecting the financial well-being of clergy families is educational debt. Ruger and Wheeler’s 1991 study of educational debt for clergy found that close to 40 percent of clergy who secured loans to pay for their seminary education were paying more than 8 percent of their gross income after seminary to repay their educational debt. This study also noted that lending institutions often cite that having to pay more than 8 percent of income towards educational loans labels a family a credit risk and limits their access to mortgage loans and other typical forms of credit. The study went on to note that even though highly indebted graduates ($15,000 or more in educational debt) were a minority, they faced considerable financial pressure. They were less likely to own a home, and nearly half of them (46 percent) admitted that they had been unable to make scheduled payments on their loans.17

Note that these figures are from 1991. In 1993-1994 the amount that students could borrow for graduate education rose from $11,500 to $18,500 per year, thus the proportion of clergy who fell into the severely indebted category almost certainly rose, possibly to alarming levels. Recent reports on educational debt for clergy confirm that repayment of debt required to pay for seminary education significantly impacts the financial well-being for many clergy. An Evangelical Lutheran Church of America report reported that the average debt load for 1999 M.Div. graduates was $24,592, up from a reported $10,378 in 1991.18 Further, figures generated from the Association of Theological School’s Graduating Student Questionnaire showed that in 1998-1999 just under 20 percent of students were entering seminary with prior educational debts of over $25,000, while over 40 percent had prior debts of over $10,000.19

19 Larson, 1995, p. 75.
We hope that the beginning of a new millennium, particularly one that began with many cataclysmic events, can provide a natural time of reflection on the financial actions of faith communities. While there are many organizations that work toward a higher social purpose, Christian (and other) faith communities are distinctive in that they struggle toward a different economic vision. Rather than a right of ownership, faith communities have a responsibility of stewardship – a trusteeship – over all resources, because of a belief in a higher being who is sovereign over all creation. Money, land, buildings, intelligence, education, and skills are not the property of individuals or congregations, but have been given freely to them for the purpose of worshipping God and serving God’s world. Christian faith communities, in particular, are called to point to this reality in all that they do. Whether a local congregation or an entire faith tradition sees its mission as winning individual souls for Christ or redeeming societal structures, all must affirm that Christ’s clearly stated mission for Christians is to increase among all of humanity “love of God and love of neighbor.” This has implications for the economic behavior of Christians, and for the way clergy salaries are structured, as well.

Without intentional reflection, the free market alone will determine the price of pastoral leadership in the U.S. Small membership congregations will make do with what they can afford or close. Pastors will continue to struggle against financial difficulties in trying to fulfill their calls. But several facts should give congregations and denominations cause to consider alternatives to the free market:

- First, in the midst of abundance, the majority of clergy have bare minimum salaries and few fringe benefits.
- Second, competition and ladder climbing characterize much of the call process between clergy and churches.
- Third, the size of a church determines its market power and thus the quality of leadership it can attract. This puts undue emphasis on increasing membership for economic rather than for mission-driven reasons.
- Fourth, clergy who are financially dependent upon a congregation are less able or likely to lead in prophetic (“tough love”) ways, since such leadership risks losing members and thus dollars.
- And finally, red flags should be raised concerning the excessively low African-American clergy salaries and fringe benefits, as well as clergywomen’s restricted opportunities to serve larger churches.

This report intentionally compared Protestant and Catholic clergy salaries to highlight the advantages and disadvantages of a centralized, or collective, clergy labor market over and against a free market. In the Protestant realm, further distinctions were drawn between Congregational and Connectional polities to highlight the differences between centralized and free markets. Of course, none of these categories perfectly represents examples of these types of markets. Among Baptists, instances of cooperation (an activity that is not encouraged by the free market) to provide benefits or salary guidelines can be found. And among the more centralized Connectional and Catholic churches, competition (a mark of the free market) for the “best” clergy certainly occurs.

We saw that the free market forces that drive secular salaries are at work within the salary structure of the church, and free market solutions have arisen to address the issues that churches and clergy face because of the salary structure. To attract entrepreneurial clergy, some very large churches are paying entrepreneurial salaries. To earn enough money to pay back educational debt and save for college and retirement, some clergy must either seek to serve large churches rather than serve poorer churches where they may feel called, or place their calls second to spouse’s careers.

Smaller churches that cannot afford to pay a high enough wage to support full time or fully-ordained clergy are increasingly moving toward part-time or less-experienced or -educated clergy. The availability of these “close substitutes” in the clergy labor pool puts additional downward pressure on clergy salaries making it more difficult for clergy to command higher salaries. The clergy salary structure has split into

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smaller churches that struggle to pay clergy even a modest stipend and larger churches that pay high, competitive salaries. Church size translates directly into market power.

Collective decision-making has two advantages for congregations and clergy. First, it can financially benefit clergy and congregations, especially smaller, poorer, or mission churches; and second, it frees pastoral leaders somewhat for prophetic and mission-oriented ministry. Long-ranging decisions made with a common mission in mind are more likely to occur with collective wisdom rather than with individual demands informing the process. The reason free markets are prevalent, however, is that when power is centralized, potential for abuse and lack of understanding of important local contexts become important considerations. Persons given the power to make such decisions must show evidence of spiritual grounding, wisdom, and humility, and must continue to be held accountable by peers and constituents.

Despite valid concerns over collective decision-making, the structure of clergy salaries reveals how much the mission of faith communities has been distorted by the free market forces of individualism and competition. But what alternatives might be considered? We suggest faith communities consider more cooperation between congregations and among denominations, particularly for the provision of clergy benefits such as healthcare, retirement, and theological education debt repayment. Cooperation can take many forms, including sharing of financial resources, sharing of information, and even sharing of pastors. To be sure, local input in cooperative ventures and centralized decisions is crucial.

Many churches have already attempted to address these issues through provision of healthcare, retirement, and educational funds for clergy through sharing of resources among several congregations. We applaud those efforts and encourage them to continue and to be strengthened. We also hope that concerted effort will be made among all faith communities to seek out further opportunities for sharing of God’s abundant resources. If the mission of the church is to bear witness to God’s sovereignty, the mystery of the cross, and the hope of the resurrection, intentional reflection on and consideration of increased measures to reign in the free forces of the market must be the first of many steps to help congregations reclaim their mission of covenantal community, justice, and grace.
We used the following regression model to predict salary, restricting the sample to Protestants:

\[
Y = b_0 \text{Conn. Polity} + b_1 \text{Conn.} \ast \text{Size} + b_2 \text{Cong. Polity} + b_3 \text{Cong.} \ast \text{Size} + b_4 \text{Avg. Lay Income} + b_5 \text{Has MDiv or Above} + b_6 \text{Years in Ministry} + b_7 (\text{Years in Ministry})^2
\]

where “Conn[ectional] Polity,” “Cong[regational] Polity,” and “Has MDiv or Above” are indicator variables, “Size” is the number of attendees, and “Laity Income Level” is the average income level for attendees at the congregation. Years in Ministry\(^2\) is entered into the model to allow experience to have a negative correlation with salary as years increase. In a typical experience-earnings profile (e.g., how salary increases as experience increases), salary increases rapidly during the early years of one’s career, but the size of the increases taper off and can even decline as worker enters “semi-retirement” in later years, but is still working. We found that this phenomenon holds true for the pastors in our sample. We also found that all of the factors we entered into the model had large and statistically significant impact on clergy salaries. We used these results to test the hypothesis that polity has no impact on salary once differences in size, wealth, education, and experience are accounted for. We also tested whether region of country, rural area, and percent of “tithers” in the congregation had a significant effect on salaries, after controlling for the above factors. Including these variables in the model did not improve the model. None were close to statistically significant and their inclusion reduced the precision on the estimates of the other variables. See below for coefficient estimates.

### Regression Model Estimates

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MINISTRY AS COMMODITY

A Response by the Rev. Kenneth L. Carder
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This report provides a window through which to view the state of clergy leadership in the United States. The report correctly frames the issue in the context of the market and its impact on clergy recruitment, formation, morale, and deployment. The results challenge the church to look deeply into the factors contributing to the calling forth, formation, sustaining, and deployment of clergy in the 21st century.

The free market may be the most pervasive god of the modern world, with capitalism as the dominant expression. The market has become more than a system for the transfer and exchange of goods and services; it is an ideology, a lens through which life is viewed, a power that affects every aspect of living. It is looked to as a solution to basic human problems and as a source of meaning, security, and fulfillment. The market assigns worth in accordance with commodity exchange. What a product or service is worth depends upon its value in the market place where supply and demand, competition, and efficiency become the guiding principles. Even persons tend to be valued for what they have to exchange in the market. Professions are valued and compensated according to the market rather than the intrinsic value of the service rendered. Ministry, thereby, is reduced to a commodity available to the highest bidder.

The underlying market ideology significantly influences the salary structure of The United Methodist Church and the deployment of clergy, even though our itinerant appointive system originated as a missional strategy. John Wesley assigned the Methodist preachers in accordance with the mission of the movement and the preacher’s ability to respond to that mission. He expected the preachers to be financially supported so as to provide necessities of life for their families. Wesley defined “necessities” as sufficient food, decent clothing, and proper housing. Although sufficient, decent and proper are relative criteria, the emphasis was on adequacy of provision and not on status or competition or reward. Wesley also established the Preachers’ Fund for “tired and worn out preachers, their widows and children;” but again the rationale was compassion and justice, not “employee benefits.”

Wesley strongly resisted ministry being viewed as a commodity and clergy moving from one church to another in order to get more money. He argued against the proposition that a larger income “does not necessarily imply a capacity of doing more spiritual good.” In fact, increased wealth may lead to distractions and from fulfilling genuine ministry. He used an all too familiar illustration of a clergy who left one parish paying fifty pounds to one that paid one hundred:

Why does he go thither? “To get more money.” A tolerable reason for driving a herd of bullocks to one market rather than the other. . . . But what a reason for leaving the immortal souls over whom the Holy Ghost had made you overseer! And yet this is the motive which not only influences in secret, but is acknowledged openly and without a blush! Nay, it is excused, justified, defended; and not by a few, here and there, who are apparently void both of piety and shame; but by numbers of seemingly religious men, from one end of England to the other.

The Methodist Church’s rapid growth in colonial America resulted partly from the ability to deploy the circuit riders to the frontiers in accordance with an evangelization mission. Compensation was subservient to a sense of calling to evangelize and participate in the church’s mission. The organizing conference of the Methodist Episcopal Church in Baltimore in December 1774 established a maximum salary, whereas Conferences today establish minimum compensation. However, traditionally clergy have been provided support in addition to “salary.” Until recent years, children of United Methodist clergy received either free or discounted tuition at church-related colleges plus medical services at church-related hospitals or from doctors who were members of the pastors’ congregation. Such amenities are now the exception rather than the rule as education and medicine have increasingly become subjected to market forces.

Although missional needs receive considerable discussion in the assignment of pastors, compensation is a major factor in the decisions. Customarily the only pastors considered for a particular appointment are those within the salary range of a few thousand dollars. Giving pastors exceptional increases while passing others by who may have more experience is often challenged as “damaging morale.” Morale among clergy seems to be tied very closely to compensation. Being appointed to a church with

2 Ibid, p.29.
3 “An Address to the Clergy,” February 6, 1756.
A FRESH LOOK AT CLERGY SALARIES IN THE 21ST CENTURY

higher salary is interpreted as an affirmation while moving on the same salary level or with less salary is seen as a “demotion.” Comparison with colleagues’ salaries is almost universal and where one ranks with peers in salary affects that clergy’s self-image and confidence. As one clergy told me, “I was very happy with my ministry until I saw the ‘salary sheet’ and noted that many of the persons I graduated from seminary with were ahead of me. Now I wonder why I don’t have a better appointment.”

Since compensation is controlled by the free market, the larger salaries are paid by the church with more economic power, as the study clearly validates. Those churches tend to be located in the suburbs and in metropolitan areas. Churches located in rural communities and economically depressed urban areas with intense pastoral and missional needs have little economic power and are therefore less appealing appointments and tend to have a rapid turnover of pastoral leadership.

One highly trained clergy serving three small churches in a rural community with great effectiveness and satisfaction said, “I would be happy to spend the rest of my ministry in this charge or one like it; but I have to educate my children too.” One year later, we moved him with his approval to a suburban congregation with an increase in salary, knowing that his passion and skills were particularly suited for the small rural communities. His ministry in the suburbs was far less effective and satisfying for him and the congregation. He moved again in two years, also at an increase in salary. But again, the market determined the move more than mission. His morale plummeted and he moved again within two more years. Although we knew his gifts were best suited in the rural communities, we could not at that time adequately compensate him in those communities. The market-controlled appointments gave him more salary but robbed him of satisfaction and the rural churches of very effective pastoral leadership.

A centralized church such as The United Methodist Church is particularly suited to examining the role of the free market within its mission, but it will take creativity and courage to both recover a missionally-based itinerancy and an adequately compensated clergy. Here are a few proposals.

1. Attention needs to be given to a theology of money and the relationship of the market logic to the Christian gospel.

2. Develop a compensation strategy beyond providing a minimum salary. What is an optimum compensation for clergy in order to provide both for the necessities of life and a feeling of affirmation? Provide supplemental compensation from the connection for those below the optimum salary. Encourage churches and pastors whose salaries are above the optimum level to contribute to the compensation pool for the supplementing of those below the optimum level.

3. Recover the “circuit rider” as a viable and adequately compensated form of deployment of clergy. One model is the forming of cooperative parishes or clusters of small membership churches under the pastoral oversight and sacramental presence of an elder with well trained laity serving the pastoral role once fulfilled in Methodism by the “class leader.”

4. Yoke medium and large membership churches with churches in the rural areas and/or inner city with shared staff. Such yoking must avoid paternalism and domination by the church with the economic power. Forming such team ministries requires considerable preparation. For example, before entering structured relationship, one larger church was required to reflect for one year on the unique gifts the smaller congregation located in the midst of poverty had which the larger congregation did not have. Defining such gifts required getting to know the other, not as an object of charity, but as a means of grace.

Wrestling with the free market in light of the church’s mission is one of the most formidable tasks confronting the church. More than compensation of clergy is at stake. The mission of the church is in jeopardy when the market determines the church’s leadership and decisions. A discussion of clergy compensation can provide the occasion for profound theological reflection on the role of money, motivation for ministry, and the church’s mission in a world dominated by the free market.

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Rather than security and shortfalls? What if we took the stance that laypersons, pastors, and congregations are redeemed to counter and transform their culture rather than to be molded by the assumptions and viewpoints of that culture? What if we believed and lived like souls are never for sale rather than souls are always for sale?

I hear the painful question of Curtis Freeman, director of the Baptist House of Studies at Duke Divinity School. I agree with his reading of contemporary ministry: “So why would you want a job that can’t support a family, won’t get respect, makes unrealistic demands and goes against the basic beliefs of society? I can’t think of a good reason unless the Almighty Master of the universe calls you by name and leads you there.” Freeman’s inquiry frames that pesky and dangerous intersection of Church and Market in more foundational theological terms. From the perspective of faith, dangerous collisions happen at the intersection of Church and Market when market has the right-of-way and church yields.

What if American congregations took a more countercultural stance at the corner of Church and Market? What if churches were in the driver’s seat and markets were the passengers? What would the traffic pattern look like in practical theology and working polity?

• Maybe every Christ follower would be a minister. Luther and other reformers took the view that baptism was ordination for Christians. The priesthood of all believers emerged from this emphasis. Maybe pastoral pay gaps would narrow if all persons of faith saw themselves “in ministry.”

• Maybe every congregation would be a seminary. Trueblood contributed to the deregulation of theological education and predated the teaching church concept when he pressed churches to see themselves as seminaries, literally as “seedbeds” for faith and service. Maybe pastoral salary deficits would lessen a bit if all believers saw themselves as shapers of the practice of ministry, became lifelong learners, and involved themselves more directly in tending God’s seedbeds.
• Maybe every pastor would be a missionary. Missions as a form of religious colonialism is gone and not a moment too soon. In the postmodern global world, all of us live amid mission fields. My own state of Virginia now ranks eighth in the United States in numbers of foreign-born citizens. The solid South is now solidly eastern, western, northern and southern. A fresh ferment for missions and ministry is bubbling up. Maybe pastoral compensation would equalize somewhat if pastors were seen as naturally and visibly in their extra-congregational roles as in their intra-congregational ones.

• Maybe every missionary would be cross-trained. Traditionally, churches have expected pastors to be Cross-trained specialists. But, in a world environment where people can expect to change careers six or seven times, pastors need to be cross-trained for more flexible ministry and movement across their mission fields. Dual credentials from seminaries, universities, and other sources could provide one element of cross-training. Maybe pastoral income levels wouldn’t be such an issue if ministers were more prepared to be tentmakers, circuit riders, coaches, and entrepreneurs.

• Maybe every citizen of the kingdom of God would be prepared to serve Christ on the edges of society. It’s no secret that the most dynamic, interactive arenas of life are on the “edge”—the sea and the shore, the borders between sovereign nations, the streets where different neighborhoods and sub-cultures meet. When church is seen as sanctuary, ministries on the edge are sacrificed. Maybe pastoral worth would be revalued if all believers joined in the risks of faith that are exercised on the boundaries of creative opportunity.

Taking the High Road

“How Much Should We Pay the Pastor” properly notes the uncomfortable tension between mission-and-market. True to its research design, however, this study examines pastoral salaries only from a market-driven perspective. I’m pleased we’ve done the careful “what is” work of research. I’m glad we know the “nickels and noses” statistics. The numbers help us understand the concrete situation pastors and churches face as they are matched with each other. These findings remind us of the straightforward words of the Apostle Paul: “…the Lord wants everyone who preaches the good news to make a living from preaching this message” (1 Corinthians 9:14, CEV).

Still, as Paul Harvey might say, there is the rest of the story to consider. Across my ministry as a pastor, consultant, seminary professor, and denominational leader, I have too often seen dollar issues kill dreams for pastors and congregations. In our culture and frequently in our churches, the market mindset dominates churchmanship. That isn’t acceptable or faithful. Consequently, I want to challenge all Christian leaders to continue raising the idealistic, though troubling, questions of “what if…” and to keep the prophetic tone ringing in believers’ ears.

For me the basic theological and polity principle remains clear: when Church and Market intersect, faithfulness to the ideals of Christ must always lead the way for churches, with market values in no better than second place. Ministry so defined requires vision and persistence. Remember Michelangelo’s observation? “I saw an angel in the stone…and carved to set it free.” For the sake of Christ’s church, let’s envision the angel and work until it soars.

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“Moving the deck chairs on a sinking ship.” That is the phrase that first came to my mind as I read this report. Trying to discern what difference polity makes for the support of professional ministry is an interesting exercise. Yet the exercise takes place in the context of a long-term slide in real income for Protestant clergy that is extreme enough to make the rhetoric of sinking ships not too extreme. Here I will address the meaning of the study’s findings for contemporary Protestant churches, though I will do so as a historian of American religion might be expected to do, with an insistence that history matters.

In studying the economic history of American Protestantism, I became interested in the issue of labor. I wanted to know who was paid to work in churches, how much they were paid, and how did those amounts change over a period of decades. What I discovered through comparisons of over 250 years of financial data was that over time about two-thirds of all congregational expenditures were and are made to support people who work for the congregation and that the overwhelming bulk of this amount has gone to ordained ministers. Thus, congregational labor expenditures, in aggregate, are a stable two-thirds of all expenses over time. When viewed from the perspective of the individual economic actor, however, I found the picture to be anything but stable. To cite but one instance of this unstable trend, I found that in the early 1960s the fully-appointed Methodist minister made—by himself—something just over the median household income for a family of four in the United States. Thus, as a sole breadwinner, the Methodist pastor could reasonably expect that his family could be solidly middle-class. But by the mid-1980s, and continuing down to our time, a fully appointed United Methodist minister could expect to make only about half of median family income in the United States. To state matters boldly, but without too much simplification, we can say that today’s situation is one where the Protestant minister’s household’s grip on middle-class status is tenuous. Or to state it even more boldly, in less than one working lifetime, Protestant clergy have gone from being reasonably well-paid professionals, paid like experienced school principals, to being paid less than beginning teachers. Over time clergy income has increased at roughly inflationary rates, but in the meantime all other skilled and professional workers’ incomes have risen much more. How can this pattern of long-term real income and social status devaluation be squared with the fact of stable expenditures for labor costs? The answer lies in the fact that Protestant congregations have for three decades been steadily shrinking in size. This study provides plenty of evidence that congregational size is a key determinant of how much clergy are paid. Indeed, larger congregations pay more, independent of which polity under which the labor arrangements are made between the congregations and ministers. I am prepared to wager that the study would never have been commissioned had the clergy and churches not felt the bite of the long-term income slide.

What are the long term effects upon basically middle-class churches of having a clergy that can no longer expect to buy a home, send children to college, afford to retire, in short to live as one among the people one serves? This is the most important question facing mainstream Protestant churches today to emerge from this study. For the most vexing discovery to be found in this study is that while systems of controlling the appointments process can partially affect the wages ministers receive for serving a given size of a congregation, the ability and willingness of congregations to pay a fully professional wage for professional services is on the decline in all Protestant polities. Markets are like waves and tides; you can build breakwaters and jetties to provide partial control of flows locally, but the process of supply and demand is too vast to stop or reverse in its entirety. It is instructive then to examine what the results of two denominational systems’ interactions with the market have been as demonstrated by the study.

The Presbyterians have maintained relatively high wages for ordained clergy by making it difficult to become ordained and by setting presbytery (regional) minimum salaries that must be paid for by any congregation that wishes to have a full time pastor. While salaries for these ministers have held up somewhat better than for other clergy, the result in a time of declining congregational size is that most small churches (under 100 members) in the Presbyterian Church (USA) find themselves without an installed minister. Throughout the 19th century the Colonial era’s power-house traditions, the Presbyterians,
Congregationalists, and Episcopalians, conceded the smallest hamlets and crossroads to Methodists and Baptists because their model of ministry was premised on an educated clergy who were supported by a relatively large body of believers. The Presbyterian case in the 21st century appears to be one of failing to be able to minister to the small congregations the denomination already has.

In the case of the United Methodist Church, the report provides clear evidence that the tradition’s commitment to small congregations is being maintained. The hidden cost of this commitment to being wherever two or three are gathered, institutionally speaking, is the slow de-professionalization of the clergy. If a charge cannot support a seminary-trained and regularly appointed Elder, the pattern is for a local pastor to be appointed. While many local pastors undoubtedly serve their congregations faithfully, it is an irony that at precisely the same moment that national educational attainment is at its highest point ever, the average educational attainment of people serving as pastors of the largest mainstream Protestant denomination should be on the decline. Axiomatically in labor economics the availability of ready close substitutes for appointment to churches also works to depress the wages of ordained Elders in the United Methodist Church. Advanced telecommunications makes it possible for church members in even very rural areas to have sophisticated views on matters of global and moral significance. The ability of the church to provide those same members with leaders equipped to present the gospel with similar sophistication is severely challenged.

The Presbyterians have responded to the market by pricing themselves out of it. The Methodists have met their market challenge by downgrading their overall labor supply and balancing the costs of staying in some markets on the backs of their elders and local pastors. Markets guarantee that someone can be found at some price to do the job at hand. The concern that motivates this study was the relative justice and moral costs of such a bare reliance on markets to provide clergy to congregations. Most of my comments in this response essay deal with the costs of interacting with market forces to the clergy themselves. As the study points out, market-determined salary setting systems result in lower average labor costs. From the church’s side of the equation one has to be worried about the problem of declining quality when the real and relative pay available to ministers declines so dramatically. This report provides clear and convincing evidence that ministerial salaries, whatever the polity, start low and do not rise very far.

If ministry is a learned profession, what does the evidence of this study suggest? If these are the income patterns for this profession, then denominational systems and individual congregations need to ask: Who would enter the field of ordained ministry? Who would stay in the profession? Are those who would enter the profession and stay the kind of talented people for a difficult job in a difficult time that the church needs? I believe that this study and our longer history suggest that the ship of American mainline Protestantism is taking on water. The difficulty before those who would captain the vessel is made more manifest by this study, so too is the importance that skill and imagination be honored and rewarded.

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The authors have made an important contribution to the study of clergy compensation by exploring a number of the critical issues involved. Understandably, they have chosen to focus on those that can be statistically defined and even graphically represented. However, it is important for us to recognize that there are a number of other, more subjective matters related to clergy compensation that need also to be taken into consideration. Specifically, I refer to the emotional aspects of compensation beyond and behind the paycheck. While these may be difficult to quantify, they are nonetheless significant.

While few people go into the ministry “for the money,” it is still important to note that how pastors “feel” about their compensation can be quite important. This is a very personal matter that is not dependent solely upon the amount of salary or the number of benefits. I know a gifted pastor in a small North Carolina town who could easily serve a much larger, higher paying church. He is very effective in his ministry to two small, rural congregations but would likely be equally effective wherever he might serve. But he is quite happy where he is and, after 20 years, has no designs on big salaries and high steeples.

Conversely, I know other pastors who have relatively high compensation, but who constantly feel under-appreciated and pine for ever larger salaries and churches. Further, dealing with compensation issues creates varying levels of discomfort among clergy. A reasonably effective pastor who must go “hat-in-hand” to a church personnel committee may find the experience demeaning and even painful—especially for those who are near the low end of the compensation continuum or at “minimum salary.”* Conversely, an effective pastor who lives modestly may be embarrassed at what she perceives as an overly generous compensation package. Some of the disconnect occurs because of differences in how pastors and congregations view compensation. Similarly, there may also be differences in how each party views the pastor’s effectiveness in ministry.

Compensation in American Protestant churches, as I see it, seeks to accomplish at least two goals. First, it provides a “living wage” for pastoral leaders. As the authors suggest, living wage is largely defined by the size of the congregation and the socio-economic status of the members. The second goal—often unstated—is to provide a tangible source of encouragement and affirmation (what secular institutions might term “merit pay”). Sometimes personnel committees recognize this second goal openly and seek to honor it appropriately. However, the clergy themselves often view compensation as significantly related to issues such as appreciation and performance. Thus, if a personnel committee casually proposes a “cost-of-living” increase, it is possible that the members of the committee may view this as a mildly generous raise—after all, “something is more than nothing” (not everyone is well versed in the economic intricacies of inflation!).

Conversely, I would add that in my own experience, when the congregation is in a difficult financial period and allows only a CoLA or smaller increase, but struggles over the financial issues openly with the pastor and provides clear affirmation, the pastor is less likely to feel slighted. In other words, how the personnel committee handles the establishment of compensation is far from a neutral matter. Compensation, and especially the annual compensation review, is about far more than, but is intimately connected with, morale and motivation in ministry.

This is relevant because many clergy are apt to view compensation as one of the key gauges to tell how they are doing. In truth, the “results” of strong pastoral leadership are often “like a seed growing secretly.” Pastors can rarely say, “Look at the difference I helped make in this person’s life…” The fruit of effective ministry may not be visible for many years. Because personnel committees so easily become focused on the nuts and bolts of establishing a pastoral compensation package, they may just as easily neglect important matters related to the affirmation and encouragement that every human needs. For many clergy, salary growth becomes a central indicator of “how I am doing.”

The result of this reality is that some clergy may seek to move from church to church and presumably to

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* On the matter of salary minimums, some have gone so far as to suggest that a judicatory established “minimum salary” actually has the effect of holding compensation down, since many churches in this category simply maintain that level without reference to the quality or effectiveness of their pastor—thus taking any consideration of “merit” or “affirmation” out of the equation completely (it may be worth noting that similar arguments are made regarding federal minimum wage standards).
higher salaries as a way of providing for themselves the confirmation that they are indeed “doing a good job.” “If I am effective here, whether adequately compensated or not, I will be a good candidate for a larger church and its correspondingly higher salary.”

Thus, even if the local church doesn’t tangibly communicate how effectively a pastor is handling his vocational work, a pastor may seek that affirmation through a call or assignment to a larger congregation. Unfortunately, this circumstance has the effect of shifting the focus of the pastor ever so slightly away from serving the congregation to serving judiciary officials who may have influence over the pastor’s next ministry call or assignment. Marketers might suggest that in such an instance, the pastor has shifted his/her “customer base” away from the congregation and toward those who might impact decisions about the next assignment or call. Additionally in such a circumstance, congregations lose the potential benefits of long-term, effective pastorates. These benefits usually begin to be seen sometime after the sixth year.

It is well known among Protestant clergy that, as the authors point out, an effective pastor will gain far more financial ground by moving regularly than through extended tenures, focusing on long-term congregational development (except in those rare cases of extreme congregational growth).

Some time ago, a sportscaster took an anecdotal look at the salaries of professional athletes and suggested some interesting conclusions. At the turn of the century, and continuing through the Depression, most player salaries were essentially “working class” scale. Many ball players worked second jobs and lived in the same communities where their teams resided. But there were comparatively few teams seventy years ago, a circumstance that allowed gifted players at least a shot at winning a championship during their career. While team owners still made large sums of money, their affluence rarely trickled down to the players. A player’s success was defined by winning championships and by well-developed fan loyalty, not money. Today with more teams, the commentator suggested, winning a championship is at best a remote possibility for most players (Charles Barkley, among the greatest low-post players in pro basketball, never won a championship, neither did Hank Aaron, baseball’s all time home-run king). Therefore, players and their unions began to look more and more to other sources of affirmation—specifically, money, and more recently, lucrative endorsement deals (more money). If you will never win a championship, how will people single out one player’s high level of skill among the many gifted players in the sport? The answer in recent years has become a financial one.

Likewise, in a prior age, clergy may have been offered many additional perks that are less common today: community respect, automatic acceptance in social or community leadership roles and a presumption of trust. Such respect and the access it brings can compensate somewhat for a lower salary. But these perks have fallen dramatically by the wayside in our increasingly secular society and in response to widely publicized scandals involving the abuse of clerical power, privilege and access. Ministers must compete with other potential community leaders for privileged leadership roles and respect. Clergy are not “automatically” trusted. They don’t always get the “benefit of the doubt” when things go awry. Their potential for being affirmed in such intangible ways is diminished. This circumstance increases stress as well as other external pressures that also affect job satisfaction. Consciously or unconsciously, clergy may seek affirmation in other, more tangible ways—including a quest for ever-increasing salaries. And when those raises don’t come readily—or when the members of the clergy must go “hat-in-hand” to receive them, we find that ministers often feel beaten down or even abused.

There are certainly many directions one can go with the details of how clergy are financially compensated—housing, cars, insurance, pension and so forth. But my point is that some small space needs to be given to the issue of how that compensation (in whatever form) affects the pastor and her/his work in the parish. This means we must look at the subjective responses of churches, personnel committees and pastors and their interpretation of both salaries and the salary review process, including matters of evaluating and rewarding effectiveness in ministry beyond dollars and cents. How churches and pastors deal with these issues may determine whether we are indeed working at cross purposes.

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ABOUT PULPIT & PEW

Pulpit & Pew is a research initiative of the Duke Divinity School funded by Lilly Endowment, Inc., and aimed at strengthening the quality of pastoral leadership (clergy and lay) in churches across America. The goal of the research is to strengthen the quality of pastoral leaders, especially those in ordained ministry, through (1) understanding how changes in the social, cultural, economic, and religious context in recent years have affected ministry, (2) forming pastoral leaders with the capacity for continual learning and growth in response to these changes, and (3) identifying policies and practices that will support creative pastoral leadership and vital congregations as they respond to a changing environment.

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