

Economic Perspectives on the Benefits of State-Run Churches

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When many people think of the study of economics, they think about the study of big businesses and government policy. Yet, when the study of economics is reduced to its core, it focuses on looking at how individuals use their means to achieve their ends. A fundamental aspect of this analysis is analyzing how different institutions in society use their scarce resources to achieve their ends. One of the institutions that has formed the bedrock of western society for the last 1700 years is the church. While the Church's role in society has ebbed and flowed throughout the ages, its influence can still be seen in many institutions. In many western nations the church has played an incredibly large role in the government. This arrangement has created favorable conditions for many churches around the world. In some areas churches have inherited large swaths of land, endowments, and sizable buildings from their former government backers. Many churches have reaped the benefits of monopoly privilege, but somewhat paradoxically the churches that have the most historic wealth seem to be growing in numbers the least, while churches that are being actively persecuted see large increases in numbers. Churches that are formerly state-run and have amassed immense institutional wealth, do not have the incentives in place to be truly competitive in the marketplace of ideas as opposed to those churches who are newer, persecuted, or less well endowed.

Many western observers of the church-state paradigm may wonder why looking at the impact of state support is particularly important in the 21st century. Yet, that is because church and state relations look completely different in many nations than it has for hundreds of years. In the Papal Encyclical *Unam Sanctam*, Pope Boniface posited that, "We are informed by the texts of the gospels that in this Church and in its power are

two swords; namely, the spiritual and the temporal.”¹ This ideology states that the church has power over both matters spiritual and here on earth. It was considered that the best way for church to exercise its temporal power was via the government. It remained that way for a long time in many nations, and still exists in some forms in other nations.

It is important to study what the aftermath of state involvement in churches has been, to inform the modern age for future policy making. While a combination of church and state is not generally considered in vogue at this current cultural moment, it may make a comeback as many ideas do. If people start pushing for the church and state to not be separate, it will be important for people to look at whether those policies have been previously effective. If one looks at this scenario from the Christian perspective, the priority for policy should be whatever policy causes the church to thrive, fulfill its mission, and grow the most. In Matthew 28:16-20 Jesus lays out what is known as the great commission. Apart of this commission is a command by Jesus to make disciples of all nations.² There is an active component to the Christian faith. If Christians take this verse at face value, it would be important to see if government favoritism of certain sects of Christianity actually helps them to achieve their goals. One of the best metrics to look at while determining if these policies are successful, is to see how many people are attending church on a weekly basis. While this does not measure many metrics of church vitality, it is incredibly helpful in seeing if they are effective. When one looks at other firms in the economy questions of increased market share and growth are always paramount.

¹ Pope Boniface VIII. “Unam Sanctam.” *Papal Encyclicals*. Last modified April 27, 2017. Accessed December 4, 2020. <https://www.papalencyclicals.net/bon08/b8unam.htm>.

² Matthew 28:16-20. ESV

While measuring church growth with attendance metrics provides many promising opportunities, some peculiarities of the economic analyses of churches must be pointed out. Churches are not like other firms whose aim is to make a profit. While churches certainly do not want to be losing money, their stated end is not to provide more money for shareholders, etc. . Another important facet of churches is that they are expected to provide services to everyone who requests them. While that may not always be a reality, there is a certain aim to welcome all people. In fact this can be used as a justification of the state support of churches. In some ways churches could be considered a public good in the economic field. While one member of the church may be donating hundreds of thousands of dollars every year, another member may give a few hundred dollars a year, and another member may give nothing. Yet, unlike how other firms might operate, all of these individuals would expect to be provided the same level of services by the church.

This is also in contrast to many other nonprofits, where people donate money exclusively for the benefit of other people. For example, if someone donates to a foodbank, they are generally not expecting to be a recipient of the food that the food bank will give away. But with a church if someone donates they would expect to be able to use the church for funerals, weddings, confirmations, baptisms, etc. What makes this fascinating as in many instances this donation would not be necessary. It is obviously true that in some cases one donation on the margin is what makes the difference between a church staying open or closing. But this is not always the case, and many more people could probably get away with not donating. If churches are some form of a Public good, then one could plausibly expect for those that are not state supported to be a victim to the

tragedy of the commons. Yet, there are many thriving churches around the world that stay open despite their not being any governmental support.

One final thing to consider when one looks at state support of churches and the economic consequences, is that churches have different aims than many other institutions in society. There is a genuine “otherworldly” aspect to churches. People are not necessarily giving money so that they can receive services or even so others can receive services. They may be giving money purely out of the motivation that they are doing what God wants them to do. This also leads into a certain tenderness that one must take when analyzing churches. It is a spiritual institution, and at least through the eyes of the believer, defies instinctual human behavior. People may not be acting in their own material best interest when it comes to the church.

While all of these peculiarities may cause someone to think that the church does in fact need to use coercion and violence to continue operations, analysis points to a different conclusion. When one looks at formerly state-run churches, it seems that their affiliation with the government has put them worse off than churches without assistance. Part of this may not even be directly tied to the fact that they are connected to a government entity. Some may be the result of simply being tied up in a bureaucratic institution that does not quickly adapt. Which, to be fair is completely the decision of churches, some may not feel they can adapt and remain true to their faith or institutional affiliation. It is completely the prerogative of these churches to remain bureaucratic, but it is the economic realities of those decisions can be grim. Some churches may not want to grow, for the sake of doctrinal purity, but if one looks at the church as they do any other institution, stagnancy is not generally considered ideal.

A perfect example of a formerly state-run church that had access to monopoly privilege, is the Church of England. While the church in England had been the state church in England since the 7th century, it was not an independent church until 1534. During this time, a fundamental shift in the church occurred, where the pope was no longer the head of the church. Instead the monarch of England was now the supreme leader of the church in England. This marked a significant movement in the Church-State relationship. The state soon had very few checks in place from doing what they wanted with the church. The previous status quo dictated that the government would have a strong role enforcing the doctrine of the church, but that the pope and the leaders of the church would have the final say in doctrine and government. Instead, King Henry VIII was able to determine the doctrine of the church and put in bishops loyal to him. Interestingly enough it seems that the Bishops that Henry chose were given a considerable amount of freedom to reform the teachings of the church without royal interference.³

This new status quo created a relationship so strong that church and state are still intertwined in the United Kingdom. Throughout history the Church of England was at times granted monopoly control of religion in England, and other parts of the British Kingdom. In 1559 what is now known as the Elizabethan settlement was adopted by the British Parliament. The act itself was titled the 1559 Act of Uniformity and it established the Book of Common Prayer as the authoritative liturgy of England. The only Christian services that were officially allowed to take place followed the Book of Common Prayer.

³ "History of the English Church." *Episcopal Church*. Last modified December 17, 2019. Accessed December 4, 2020. <https://episcopalchurch.org/history-english-church>.

If certain priests did not want to comply with the new government mandate, then they would be punished. While England would then go through another phase of governmental-church upheaval when Queen Mary made the church Roman Catholic again, the Anglican church would once more adopt the Book of Common Prayer as authoritative.⁴

While some may not of appreciated the governments control, the government certainly reciprocated with state support. In 1662, after the restoration of the monarchy, the state once again attempted to impose the Book of Common prayer as the official liturgy of the church, and all ministers were expected to it and the doctrine that was contained within. What occurred next came to be known as the “Great Ejection of 1662”. Any minister who would not conform to the prayerbook were considered nonconformists and were stripped of their ministerial positions. This ejection forced 1,760 minister out of the ministry which was a staggering 20% of the church at the time.⁵ It must be remembered that this was not passed via an ecclesiastical council, it was passed by the political parliament. The government had the power to define what “true Christianity” was and could impose it among the whole population. Mandatory church attendance was also put in place, complete with fines up to 12 pence for those who refused to attend. The enforcements of these fines were spotty, at best, with many people finding ways to evade

⁴ Clegg, Cyndia Susan. 2016. “The 1559 Books of Common Prayer and the Elizabethan Reformation.” *The Journal of Ecclesiastical History* 67 (1): 94–121. doi:10.1017/S0022046914002103.

⁵ Gatiss, Lee. *The Tragedy of 1662*. Accessed December 4, 2020.

<http://theologian.org.uk/gatissnet/TheTragedyof1662.html>.

the rules, and they were eventually suspended. Alternative Protestant churches were not allowed to operate freely until the act of toleration in 1689.⁶

From these observations one can evidently see that the Church of England had an incredible advantage in simply getting people to attend services, which at times was a complete government enforced monopoly on public worship. Yet, in many ways warning signs started to form within how the church would gain attendance. Many ministers complained that after the act of toleration was passed, that church attendance went down dramatically. They requested that the government reinstate the penalties for refusing to attend worship services.⁷ This illustrates a fundamental problem with monopoly control of church, when one mandates one religion, dissent naturally occurs. Sometimes it can even get violent. It can also be inferred that once people were given the option to either attend other Protestant services or not services at all, many people took it. Yet, since the church was established and retained government backing, their first impulse was not “what can we do to get people back into our churches”, but “what can the government do to get people back into our churches.” This effectively stagnated the creative apparatus of the institution, as they could have resorted to using force AKA violence to achieve their goals. If going to church was completely voluntary from the start, they would be forced to adapt and compete for parishioners.

Another way the Church of England was afforded government privilege was the ability to mandate that positions of immense political and cultural power were allocated

⁶ FIELD, CLIVE D. "A Shilling for Queen Elizabeth: The Era of State Regulation of Church Attendance in England, 1552-1969." *Journal of Church and State* 50, no. 2 (2008): 213-53. Accessed December 4, 2020. <http://www.jstor.org/stable/23921516>.

⁷ Clive D., Field

exclusively to members of the Anglican church. In fact it was not until the year 1871 where non-members of the Church of England were given complete access to degrees and professorships at the public universities of England.⁸ In fact Roman Catholics could not sit in Parliament until the Roman Catholic Relief Act was passed in 1829.⁹ This helped mold the highest levels of British government and industry in an Anglican image for generations. Policy and academia were naturally crafted with the Church of England in mind almost exclusively before these changes. This again gave the Church of England enormous advantages over other religious institutions.

Beyond all of the cultural and governmental benefits of the Establishment of the CofE, there were enormous financial privileges afforded to the CofE. Besides the historical privilege of the church taking possession of all of the previously Roman Catholic buildings during the reformation, they were also given a guaranteed payment via taxation from the so-called church rate until 1868.¹⁰ Beyond that the Church of England has been endowed with vast amounts of property and land via the government and donors. A subsidiary of the Church of England called the Church Commissioners currently control a portfolio of properties worth over 2 Billion pounds.¹¹ The Church of England's entire investment fund is worth over 8 Billion pounds.¹² The icing on the cake of their current financial privilege is their current access to government funds to finance

⁸ Universities Tests Act 1871. Parliament of the United Kingdom.

⁹ Roman Catholic Relief Act 1829. Parliament of the United Kingdom.

¹⁰ Compulsory Church Rate Abolition Act 1868. Parliament of the United Kingdom.

¹¹ Clark, William. "God's Acres': the Land Owned by the Church Commissioners." *Who Owns England?* Last modified February 9, 2020. Accessed December 4, 2020.

<https://whoownsengland.org/2019/11/04/gods-acres-the-land-owned-by-the-church-commissioners/>.

¹² "How We Invest." *The Church of England*. Accessed December 4, 2020.

<https://www.churchofengland.org/about/leadership-and-governance/church-commissioners-england/how-we-invest>.

building repairs.¹³ There is an extra tax that churches are free to level on home owners called a “Chancel Repair Liability” that requires home owners that reside in the parish to shoulder church repair costs.¹⁴

One can see from this brief historical account that the Church of England has been given the upper hand time after time when it comes to finances, property ownership, and cultural dominance. So one may consider a church like this to be thriving. While they do not receive as much government favoritism anymore, one may think that an institution that owns most of its buildings, has a nine figure endowment, and has permanent representation in one of the two houses of British parliament would be in an amazing situation. Money from donations and pledges that most churches would need to allocate to mortgages and upkeep, could be used for other purposes of the church. Yet the reality, is far different from expectations.

In the six years between 2014 and 2019, only one diocese has actually reported an increase in weekly attendance. Perhaps ironically, the only diocese that had an increase in attendance is not even located within the country of England, it is the diocese of Europe. Beyond that, the average drop in attendance for all church of England diocese was 15%.¹⁵ This is a very substantial drop in attendance for a very short period of time. On one end though, just measuring the average drop in diocese is not particularly useful for the

¹³ “U.K. Government Issues Grants for Repairs to Churches.” *Aleteia*. Last modified October 15, 2020. Accessed December 4, 2020. <https://aleteia.org/2020/10/15/u-k-government-issues-grants-for-repairs-to-churches/>.

¹⁴ Glover, Andrew. “Chancel Repair Liability: The Ancient Law That Could Hit House Prices.” *BBC News*. BBC, March 13, 2014. Last modified March 13, 2014. Accessed December 4, 2020. <https://www.bbc.com/news/uk-england-26373756>.

¹⁵ Church of England. *2019 Statistics for Mission*. 2019.

purposes of this study. Some dioceses contain far more people than others, so they are not exactly even comparisons.

One diocese that has been held up as a bright spot in the future of the Church of England is the diocese of London. In the aforementioned 6 year period, they had a church attendance drop of 8%, which makes them tied for lowest drop in attendance with three other dioceses. While to many firms an 8% attrition in attendance at the main event of the week would be incredibly disappointing, many in the Church of England consider this to be a promising sign. Which it can be seen that way, as the diocese of London is in the largest metropolitan area in England. Previous studies have shown that churches in cities tend to struggle more with church attendance than rural areas.¹⁶ So when put into that perspective, what is happening can be seen as exciting for the church, or a reflection of the poor state of rural churches. Some articles of praise have been written for the diocese of London including one from the Financial Times. In the article it states that,

The Church of England's diocese of London has seen attendance increase during the past 20 years, bucking the wider trend of declining numbers across the rest of England. Much of this growth is taking place in existing congregations or in church communities meeting in secular spaces such as schools, but it has prompted the diocese to construct churches for the first time in 40 years."¹⁷

While it is true the church has seen growth in the past 20 years, the article later goes on to address that their has been a recent downturn in attendance. It is a positive sign to see they are constructing churches, but this is not necessarily a sign of "church growth."

Buildings do not necessarily equate to people in the pews.

¹⁶ Chalfant, H. Paul, and Peter L. Heller. "Rural/Urban versus Regional Differences in Religiosity." *Review of Religious Research* 33, no. 1 (1991): 76-86. Accessed December 4, 2020. doi:10.2307/3511262.

¹⁷ Wright, Robert. "London Bucks Trend of Declining Church Congregations." *Financial Times*, December 23, 2018. Last modified December 23, 2018. Accessed December 4, 2020. <https://www.ft.com/content/db8cade2-ffe0-11e8-ac00-57a2a826423e>.

At this point, one may wonder what the Church of England is “doing wrong.” As they started off with such an advantaged position. One possible hypothesis could have been that the church had plenty of money and resources and chose to squander it all on frivolity. Leaving churches with little to work with when using resources to try to recruit new members. Yet, this hypothesis would certainly not seem to ring true. Church income in the church of England has grown over the past decade, even when adjusted for inflation.¹⁸ While it must be remembered they also had a precipitous decline in attendance during this same time period, that is pretty good considering they had a smaller pool of people to be able to give financially. Another factor in this equation is that the Church of England does not rely solely on donations for their funding structure. While they received 1,061 billion pounds in revenue in 2018, only 600 million pounds of that revenue was from giving by parishoners.¹⁹

To properly analyze what impact attendance has on this data, one must look at the trends for giving for the Church of England. While there is not yet data available for 2019 giving, the 5 years from 2014-2018 that match up with the attendance data, show an increase in giving over those years.²⁰ This strikes an interesting picture as one could reasonably assume that increases or decreases in attendance would correlate with increases or decreases in income, yet this does not seem to be the case. There are a variety of possible explanations for this phenomenon. One is that the people who tend to leave the church were less committed in the first place, and thus were less obligated to give money in the first place. This is a plausible explanation for some of this scenario, but

¹⁸ Church of England. *Parish Finance Statistics*. 2019

¹⁹ Church of England. *Parish Finance Statistics*. 2019

²⁰ Church of England. *Parish Finance Statistics 2018*. 2019

it cannot explain the whole scenario. It is also possible that people gave more with increased income this decade, or genuinely that more people felt called to give. It is impossible to know with complete certainty why donations have gone up, but it is certainly true that the church of England is very fortunate to rely on their endowments.

Looking over all of the data presented, one may again wonder how the Church of England, with its historical good fortune, manages to do so poorly. There are a few possible explanations that must be explored properly. One proposal is that the institutional advantages that they were afforded created a sense of complacency. Especially in the earlier days of the Church of England there was not much incentive for leaders of a church to reform it if they did not have a desire to. They would still get the same government privileges before, whether or not their attendance was booming or shrinking. This logic can also apply somewhat to their current situation today. Imagine a disaster scenario for the Church of England, where every single member of the Church of England refused to give any money to the church. The Church of England would still have a very sizable endowment and property holdings to use for income. They could also leverage their Chancel taxes if the church needed to make improvements to the building.

When there is not a direct financial incentive for outreach or growth, for any kind of firm, but especially for the church, stagnation tends to occur. People need incentives to induce action, if there are no incentives it will be hard to act. It is conceivable that the majority of Vicars in the Church of England, mean well and truly want what is best for the church. Yet, besides altruistic reasons, and matters of pride, what incentive do they have to really engage the community and try to boost attendance? They do not have a financial incentive to do so, which is one of the main rewards in society for action. One

may say that it is not proper for churches to have a financial incentive to evangelize, but quite frankly that is a factor in play for almost all churches that are just starting or do not have government support.

The Church of England also is an example of a situation where just because an institution has the money, it does not mean that it is allocated the way people want it to. There seems to be a substantial amount of misallocation of funds within the Church of England. There are multiple possibilities for why that is. While the Church of England is no longer government run, that does not mean that the government's impact on the church is over. The way the government helped form its institutions lingers long after the dissolution of much of the church and state unity. For example the Church of England still has a considerably large bureaucracy that permeates throughout the whole system.²¹ Anytime there are multiple layers of rule makers that decisions must go through, entities of the national organization are less flexible to adapt. When it is more difficult to adapt, it is more of a challenge to compete with competitors. For churches, those competitors can be a myriad of different things including sleeping in on Sundays, TV, sports, and other religions. If those churches are not given the flexibility to adapt that other competitors have they will struggle comparatively.

These woes are exacerbated by churches that are considered start ups or “plants.” These plants may have a donor or “investor” behind them, but like any investor they generally expect results. Positive results are linked to some kind of metric, probably

²¹ Ball, Ivan. “Church of England Bureaucracy Needs an Update | Letters.” *The Guardian*. Guardian News and Media, February 25, 2019. Last modified February 25, 2019. Accessed December 4, 2020. <https://www.theguardian.com/world/2019/feb/25/church-of-england-bureaucracy-needs-an-update>.

church growth or impact on the community. Like any new entrant to a marketplace, the churches try to meet a need that the community is facing; it may be that the church's worship is better preformed, sermons are more eloquent, or that the times are more convenient. For the plant to succeed they have to get people in the pews, they do not have prior goodwill or community support in most instances to coast off of. The established churches are also limited in their response to these market entrants by their own culture. Cultural institutions and traditions can be difficult to change even if one has the freedom to do so. If the church has started at 10 AM every Sunday for the last 200 years, it is probably going to be very challenging trying to change the time to compete. One does not want to anger their existing base of support in pursuit of new attendees or members.

Another wrench in Church of England adaptability is its historic governmental ties that it continues to retain. For example, if a new Archbishop of Canterbury needs to be appointed because the previous Archbishop has passed away or resigned the church must go through multiple government hoops. The process goes as follows

The retiring Archbishop of Canterbury tells the Queen they want to retire. The Queen accepts the resignation, The Crown Appointments Commission begins to oversee the selection of a new Archbishop of Canterbury. The Commission chooses two names and sends them to the Prime Minister for approval, if the Prime Minister likes the choices, one name is sent to the Queen. The Queen has the final say.²²

As one can see, this process is quite laborious, and prone to stymie the speed at which the church can adapt to changes. Now, this may be how the church ought to operate, with plenty of checks and balances. Yet, one cannot argue with the fact that the process of

²² "CBC Newsround | ARCHBISHOP OF CANTERBURY | How Is a New Archbishop Chosen?" *BBC News*. BBC, February 27, 2003. Accessed December 4, 2020. http://news.bbc.co.uk/cbbcnews/hi/find_out/guides/uk/archbishop_of_canterbury/newsid_2804000/2804849.stm.

putting new leaders within the Church of England takes longer than other ways of doing it. This makes the Church of England prone to competition from the many competitors that vie for people's time.

While the Church of England has many flaws that can act as impediments to growth, there are some positive signs that the Church can point to. One thing that can be seen as a positive is the increase of pluralism within England itself. It is possible that when there are more options to compete with the Church that the church will naturally have to adapt to compete.²³ It can still do this while the things that have traditionally held back growth are still in place. This could be a potential reason why the church has seen better prospects in the diocese of London. Since the diocese is in a large metropolitan area, there are more religions and ideologies to compete with. It follows that these churches were forced to adapt to the new conditions, or they would have faced extinction. The Church of England will have to adapt at some point when it is too costly not to, but the historical privileges that they have been granted have lowered the cost of inaction to the point where some radical things will have to happen before they are forced to truly be responsive to the marketplace.

Another good sign for the Church of England is the creation of non-geographic diocese and church planting groups. While this may be a newer innovation to the church, it could ignite growth through the premise of new competition. For example the Church of England has established an alternative diocese for parishes to join who disagree with

²³ Barro, Robert J., and Rachel M. McCleary. "Religion and Economic Growth across Countries." *American Sociological Review* 68, no. 5 (2003): 760-81. Accessed December 4, 2020. <http://www.jstor.org/stable/1519761>.

the ordination of women.²⁴ Disregarding ones theological views on that particular subject, it can be seen that this move will increase ideological competition amongst parishes. People who are apart of a diocese that ordains women would no longer have to switch denominations to be a part of a church that they agree with theologically on the ordination of women. Another group which is furthering the competition among parishes is the Church Revitalization Trust. Their goal is to plant or replant 100 churches in cities around the UK. This group acts as a venture capital firm of sorts in the church marketplace, whereby churches that are near closing or have closed can be relaunched.²⁵ This strategy expertly utilizes one of the greatest assets of the Church of England, which is ownership of property. This allows the church to utilize their existing resources while embracing the benefits of being a church plant more effectively.

It is possible to look at the conditions that have been described previously and deduce that what is being described could be mapped over to church institutions with large historical institutional support, like the mainline churches. In many ways one can apply a lot of the argumentation about costs and incentives that have been argued to these churches. But the governmental aspect of the Church of England creates unique “challenges” that the mainline churches do not have to face. One of these is the very option to use tax dollars instead of savings or fundraising to instigate upkeep. They also do not quite have the same bureaucratic limitations that the Church of England has with its connection to parliament. In some ways the strong connection to government just

²⁴ The Bishop of Maidstone. Accessed December 4, 2020. <https://bishopofmaidstone.org/>.

²⁵ “Vision and Mission: CRT.” Church Revitalisation Trust. Accessed December 4, 2020. <https://crtrust.org/vision-and-mission>.

cements the institutional traditions and wealth at a deeper level than the mainline churches, which have operated voluntarily, can claim.

At this point in the paper one may be wondering what it really looks like for a church that is not historically connected to the state to be competitive. One example, that follows the same ecclesiology as the Church of England is the Anglican Church in North America. The Anglican Church in North America split off from the Episcopal Church over theological disagreements. When the parishes of the ACNA broke off from the Episcopal church, the national church sued them to take back the property and assets of the constituent churches. The monetary cost of this exit was substantial for many parishes. In the case of Falls Church Anglican, their entire parish savings of 2 million dollars was seized by the episcopal church, including their historic church building and all of the assets contained therein. This church was in many ways in the exact opposite position of most Church of England parishes. Yet, they were astonishingly able to raise enough capital to purchase 57 million dollars' worth of property in a matter of seven years.²⁶ While every church has unique circumstances, it is somewhat astonishing that a church that lost everything endowed to them, was able to recover in such a manner.

While it has already been established that finances are not the only or the best barometer of success for a church, it is striking that from its peak of 2000 worshippers per Sunday the Falls Church Anglican lost 800 worshippers. One of the main causes of this exodus, is that during the time they remained without a building, people migrated to one

²⁶ Zauzmer, Julie. "Seven Years after Losing Its Fight with the Episcopal Denomination, The Falls Church Anglican Opens Its New Home." *The Washington Post*. WP Company, October 15, 2019. Last modified October 15, 2019. Accessed December 4, 2020. https://www.washingtonpost.com/religion/seven-years-after-losing-its-fight-with-the-episcopal-denomination-the-falls-church-anglican-opens-its-new-home/2019/10/13/b351168c-eded-11e9-b648-76bcf86eb67e_story.html.

of their six church plants.²⁷ This is another example of how large endowments and historical privilege does not necessarily increase church growth. In fact if one looks at recent data, the ACNA is one of the few denomination in the United States to be growing.²⁸ This is a striking comparison to the Church of England especially considering they are apart of the same tradition and the ACNA's distinct lack of traditional institutional support.

One potential explanation for the ACNA's growth contra the Church of England is the fact that since the ACNA took a stand on theological issues people viewed them as an authentic underdog. People knew that the ACNA was practicing what they preach, and willing to take a stand for what they believe in. There is a certain anti-establishment element of the ACNA that the Church of England has no claim to. The Church of England is the very definition of establishment, in fact it is often known as the established church. People may not view the church as willing to stand up for certain values, as much as it being a representation of how things are.

One final church phenomenon that the Church of England is apt to be compared to is that of the persecuted church. While the ACNA was inconvenienced, one could not say that they were persecuted. Yet, there are areas of the world were people are punished or killed for being Christian. Many of these governments attempt to do everything they can to squash the movement that exist in their countries. Despite this pressure the church is growing in many persecuted areas. One example of this church growth is in the Iranian

²⁷ Zauzmer, Julie

²⁸ Goodhew, David. "The Growth of the Anglican Church in North America." Covenant. Last modified February 15, 2019. Accessed December 4, 2020. <https://livingchurch.org/covenant/2019/02/15/the-growth-of-the-anglican-church-in-north-america/>.

Church. According to GAAMAN research group there is more than 750,000 Christians apart of the underground church. This is far larger than the government sanctioned ethnic churches which contain 117,000 Christians. This group has grown rapidly in the previous years despite the government banning conversions.²⁹

Iran is just one of many examples of Christianity growing in a less than favorable religious climate. One of the latest studies of the global growth of Christianity from Gordon-Conwell University, shows that 11 out of the top 20 fastest growing Christian populations worldwide are in Muslim countries. These countries generally do not make it easy for people to convert to other religions, and many actively persecute Christians.³⁰ So one may wonder why these churches are growing so rapidly. One simple explanation is that many of these areas do not have sizable Christian populations, so when a new ideological “product” like Christianity is introduced to, the people who are interested convert. Eventually one may expect to hit some sort of market cap where without innovation the growth would taper out. While this is certainly a possibility it seems that the very act of persecution seems to increase growth.

When widespread persecution occurs, it becomes incredibly costly to convert to Christianity. So only those who are true believers end up converting to Christianity. These are people who are motivated by their faith and have a true desire to practice the

²⁹ Casper, Jayson. “Researchers Find Christians in Iran Approaching 1 Million.” News & Reporting. Christianity Today, September 3, 2020. Last modified September 3, 2020. Accessed December 4, 2020. <https://www.christianitytoday.com/news/2020/september/iran-christian-conversions-gamaan-religion-survey.html>.

³⁰ Mitchell, Russ. “The Top 20 Countries Where Christianity Is Growing the Fastest.” Disciple All Nations. Last modified June 18, 2015. Accessed December 4, 2020. <https://discipleallnations.wordpress.com/2013/08/25/the-top-20-countries-where-christianity-is-growing-the-fastest/>.

tenants of the faith. Hence the fake Christians that turn people away from the faith are weeded out. People are then attracted to Christianity because it seems to be more authentic and real than other traditions. This is the opposite of the Church of England's current position, for example, because they have an environment where there is an incredibly low incentive to innovate. Where those in the persecuted church must adapt every day to new situations and continually innovate. The persecuted churches tend to have very liquid assets, because they cannot own public property. Since they cannot own property, they can prioritize their funds on missions and growth oriented activities. This all lends itself to encouraging growth.

One may be wondering what to do with all this information. Should someone want their church to become persecuted so that they can grow? Surely there is a better way to promote growth within churches. One way seems to allow churches within denominations to be adaptable and flexible. Churches must prevent bureaucracy from becoming rampant in churches. Another thing churches must do is focus on their purpose which is the propagation of the gospel. That means not sitting on their laurels but constantly innovating to reach more people. Building up an endowment may be nice for their own peace of mind, but it may create a strong current of complacency within the church.

Using economic principles one can deduce what effective and ineffective strategies are for churches. One strategy, which is allyship with the government, has been proposed and adopted throughout the centuries. Yet, using real world experience and evidence, this seems to be ineffective at sustaining long term growth. When churches no longer have incentive to innovate and grow, they become complacent and do not focus as

much on the theological concept of the Great Commission. Somewhat paradoxically, churches with the least amount of resources seem to be poised for growth as it causes them to be more flexible and adaptive to their circumstances. Christians in general must decide whether to advocate for effective policies. It seems that the state supporting the church does far more harm than good.