

## Restorative Giving for Collective Healing



We will not go back to normal. Normal never was. Our pre-corona existence was not normal other than we normalized greed, inequity, exhaustion, depletion, extraction, disconnection, confusion, rage, hoarding, hate and lack. We should not long to return, my friends. We are being given the opportunity to stitch a new garment. One that fits all of humanity and nature.

SONYA RENEE TAYLOR

2020 has laid bare the deep chasms of inequity in the United States in such a way that they can no longer be ignored. This country, built on slavery and the wresting of resources, must reckon the last 400 years of systemic racism that created almost unimaginable inequity. And we must reckon the burgeoning effect those inequities have created on wealth within our own lifetimes.

The average income earned by white households has long been 60% higher than the income earned in Black and indigenous households. The average wealth (assets owned net of the debts owed) held by individual white households has more than doubled in the last 30 years and now exceeds the average wealth held within individual Black and

indigenous households by more than 500%. In aggregate across all households, America's wealth disparity favoring its white population has tripled since 1989, totaling more than \$12.5 trillion.

If it were not for those system-wide inequities that continue to favor them, white households would earn approximately 5% less on average than they do today and would hold approximately 15% less in wealth.

Put another way, if every white American surrendered 5% of their income or 15% of their wealth, the amount which is attributable to their being white, this country could experience a reset in distribution of wealth.

Christians have been called from the very beginning to loose the bonds of injustice and undo the thongs of the yoke, to let the oppressed go free and break every yoke. (Isaiah 58)

And yet, we (and in the Presbyterian Church (USA), "we" is primarily white people) regularly prioritize maintaining our facilities, building our endowments, and caring for those already in our communities of faith who are familiar to us. We adopt policy statements that speak eloquently of justice. We write curriculum, create afterschool programs for people who look like us, and collect food for our local pantry without addressing the reason for hunger all while ignoring the vast chasm of disparity right outside our doors because it feels overwhelming and unsolvable.

We don't give fully because we are afraid. We don't give fully because we can't guarantee a successful outcome. We don't give fully because, "what if... we need it?"

The PC(USA) has, for decades, wrestled with racism by writing theological statements, adopting anti-racist policies, acknowledging racism as sin, calling on congregations to include workshops and worship services on reparations, reconciliation, and renewal in conferences. It is time to move from policy to investment and action.

To that end, individuals, congregations, mid-councils and other organizations are invited to make a commitment to set aside the benefits that privilege has brought them (5% of income or 15% of wealth) and pass it back for equitable redistribution.

We have an opportunity to stitch a new garment; to renounce the benefits of privilege; to create conditions which will allow our restoration; to talk about things that matter and work toward collective health; **and to act.**

## **Restorative Giving Initiative in the Presbyterian Church**

Restorative Giving is being introduced as a grass roots voluntary initiative for churches, individuals, and mid-councils of the Presbyterian Church (USA) to take a leadership stance in opposition to racism and racial privilege. Its premise is that it would be right and fair for predominantly white churches and those who support them to return benefits that have accrued directly or indirectly from systemic inequities. The act of gathering and surrendering resources, which in a fairer system would belong to others, could be redressive to our complicities, restorative to our conscience about what is right, and could contribute to broader reparative efforts necessary for America's collective healing.

The guidance for giving is based on national disparities in income and wealth between white households and households in the historically marginalized Indigenous and African American population (summarized in Schedule I).

The wealth held by white households averages 15% more than it otherwise would if all wealth in the country were instead distributed without the racial inequity. The income earned by white households averages 5% more than it otherwise would in the absence of these inequities.<sup>1</sup> Indeed, if every white American passed forward amounts equaling 15% of their wealth or 5% of the income they earn (amounts attributable to the advantages of their being white), this country could experience a reset in distribution which could allow a pathway to an equitable future.

To that end, individuals, congregations, mid-councils and other organizations are invited to make a commitment to share from their abundance and turn away benefits commensurate with the privilege that has been afforded them (5% of income and/or 15% of wealth).

Monies gathered would be allocated for benefit to Indigenous and African American communities based on the composition of the income or wealth that sources them. For example, contributions or commitments based on real estate assets or property gains would be dedicated for transfer to benefit Indigenous communities. Contributions or commitments based on all other undesignated assets or non-missional income would be dedicated for transfer to benefit African American communities.

Policies and practices for the investment and distribution of applicable to all funds will be entrusted to boards which will be established comprising leaders within and accountable to the respective communities. Until such boards and fiduciary facilities become operational, funds committed for transfer would either be held in designated reserve accounts on the books of contributing organizations, or could be transferred to irrevocable trusts that are established on an interim basis within the Presbyterian Foundation's New Covenant Trust Company. In all cases, investment earnings would be reinvested until the assets are transferred to fiduciaries of the respective representative trustee boards.

### **Initial Funding Action**

On October 5, 2020, the Synod of Lakes and Prairies approved the dedication of \$351,000, representing 15% of its accumulated wealth (undesignated/unrestricted net assets), to seed potential Churchwide efforts related to this initiative. Within this total, \$189,000 is being designated for eventual transfer benefiting Indigenous communities. This amount equals 15% of the Synod's assets held in real estate and gains that the Synod has realized on past real estate dispositions. \$162,000 of the total, equaling 15% of all other undesignated net assets of the Synod, is being designated for eventual transfer to benefit African American communities.

---

<sup>1</sup> This estimate represents 80% of overall income disparity, excluding income disparities estimated to be derived from income on wealth.

**Persistent Income Disparities, Expanding Wealth Disparities (in 2020 Dollars)**

<b>Earned Income</b> (excl. Invest. Income)	Est. Average Earned Income of		Est. Average Earned Income of	Est. Average Earned Income if all at Parity	Percent of Earned Income (+/-) Parity	Percent of Earned Income (+/-) Parity	
	<u>White HHS</u>	<u>Black HHS</u>	<u>Indigenous HHS</u>			<u>White HHS</u>	<u>Black HHS</u>
1989	71,643	47,601	46,186	68,371	5%	-29%	-31%
2019	\$93,372	\$65,601	\$63,961	\$88,454	5%	-24%	-26%

<b>Net Worth</b> (assets minus debt)	Est. Average Net Worth		Est. Average Net Worth	Est. Average Net Worth if all at Parity	Percent of Net Worth (+/-) Parity	Percent of Net Worth (+/-) Parity	Percent of Net Worth (+/-) Parity
	<u>White HHS</u>	<u>Black HHS</u>	<u>Indigenous HHS</u>				
1989	\$456,360	\$83,138	\$81,059	\$405,802	11%	-388%	-401%
2016	\$1,008,396	\$149,256	\$145,525	\$857,012	15%	-474%	-489%

**National**

<b>Net Worth (aggregate)</b>	Aggregated Net Worth Across All HHS	Aggregated Net Worth All White HHS (actual)	Aggregated Net Worth All White HHS (if at Parity)	<b>Disparity of Net Worth Held by White HHS (Actual vs. Parity)</b>
1989	\$34,649,388,265,440	\$33,690,309,566,400	\$29,957,913,442,734	\$3,732,396,123,666
2016	\$85,973,914,856,109	\$83,340,558,195,258	\$70,829,196,178,051	\$12,511,362,017,207

*Total Income from US Census H-3 Tables for Mean Income Received (net of estimated investment income)  
 Indigenous HH income and net worth estimated at 97.5% of average for Black income and wealth (ratio of median incomes from NCRC.org).  
 Net Worth from Fed. Reserve Board, Survey of Consumer Finances. Mean assets minus liabilities. All years in 2020 dollars. 2019 not yet avlb.  
 Investment income estimated based on net worth, investment assets as percentage of net worth (Fed. Res.), at a 4.25% average return.*