

# THE CHRONICLE OF PHILANTHROPY

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# What Philanthropy and Nonprofits Lose as Religion Fades



SPECIAL REPORT

By *Drew Lindsay*

DECEMBER 12, 2023

**A**bout six months ago, city inspectors posted an orange sign on the door of Saint Mary's Episcopal Church in Philadelphia. A tree limb had breached an exterior wall, and the 126-year-old building, home to one of the city's first Black churches, was declared unsafe.

The church remains closed today. Repair of the wall is complicated by the building's mountain of deferred maintenance; diocese officials estimate those costs alone run into the hundreds of thousands of dollars. For now, the dozen or so members of the congregation are worshipping with another church.

While the fate of Saint Mary's is uncertain, the sign on the door very likely signals the end of a 35-year partnership between the church and [Bethesda Project](#), which provides services to the homeless. The church has been one of several that the nonprofit uses for temporary shelters. The calm, welcoming aura can ease anxieties that come from living on the street, says CEO Tina Pagotto. "There is a level of perceived trust and comfort that comes along with entering a sacred place like a church."

## **The nonprofit world as a whole stands to lose a great deal as churches empty of people, money, and energy**

Bethesda Project was started in 1979 by a prayer group led by a Catholic priest from a suburban abbey. The group, which now has a full- and part-time staff of about 120, has professionalized, but Pagotto visits worship services of all faiths to promote its work. Support is harder to come by since pandemic closings cut into attendance and finances at many congregations, she says. "It can't be assumed anymore."

**'Is God Dead?'**

In 1999, as the country was about to enter a new millennium, 70 percent of Americans described themselves as members of a church, synagogue, or mosque. That number had held largely steady since Gallup began polling on religious membership in the 1940s, even through the conformity-blasting 1960s, when a [Time magazine cover](#) famously asked: “Is God Dead?”

Yet as the 21st century has advanced, the country’s religiosity — the scaffolding upon which much of philanthropy rests — has crumbled. By 2020, [only 47 percent of Americans belonged to a house of worship](#). Experts say the trend isn’t abating; indeed, church attendance has yet to recover fully from the lows of the pandemic, according to the [Hartford Institute for Religion Research](#).

## FAITH AND THE NONPROFIT

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## Nonprofits Help the Nonreligious Search for Meaning in Their Lives

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FAITH AND THE NONPROFIT

### 3 Churches Reborn as Engines of Social Good

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FAITH AND THE NONPROFIT

### 'Pretty Scary': 7 Things to Know About Religion's Decline and Charitable Giving

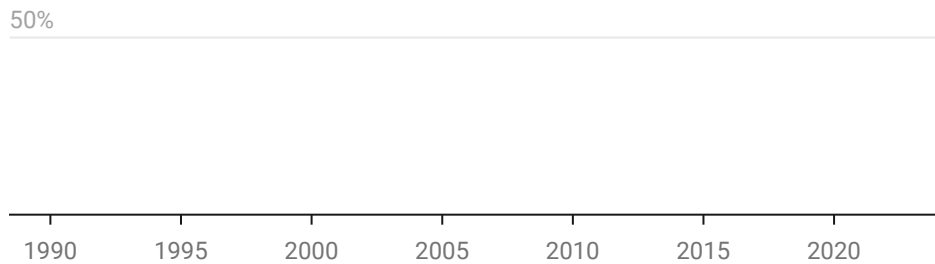
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Individual faiths and denominations experience this decline differently, if at all. The number of Jews who identify as Reform or Conservative [is dropping](#) as Orthodox Judaism grows. The share of non-Christian worship centers — chiefly Buddhist, Hindu, and Muslim — in the United States has doubled to 9 percent since 1998, according to Duke University's [National Congregations Study, a periodic survey of churches, synagogues, and other places of worship](#). The number of nondenominational Christian churches also has jumped.

The most dominant trend, however, is the erosion of the Catholic church and mainline Protestant denominations. Since 1990, membership has fallen off significantly among Presbyterian (58 percent), the United Church of Christ (52 percent), Lutheran (41 percent), and Methodist (31 percent) churches, according to an analysis of denomination records by the [Rev. Ryan Burge](#), a Baptist pastor and political scientist at Eastern Illinois University. Catholic churches now account for only 6 percent of congregations — about the same share as synagogues, mosques, and Buddhist or Hindu temples combined.

# Religion Loses Its Grip

Share of Americans who belong to a church or other place of worship



45%

Source: Gallup • [Get the data](#) • Created with [Datawrapper](#)

Not surprisingly, the 21st century has witnessed a significant decline in the number of people who open their wallets with religion in mind. Nearly 47 percent of American households gave to congregations or religious groups in 2000; by 2018, that number had slipped to 29 percent, according to analysis by the [Lilly Family School of Philanthropy](#).

Emptied of members and energy and money, some houses of worship are falling in on themselves. More than one-third of Conservative synagogues and one in five Reform synagogues have closed in the past two decades, according to a [Pew study](#). More Protestant churches shuttered in 2019 than opened, reversing the trend from [Lifeway Research's previous study in 2014](#).

“Potentially, 30 percent of congregations won’t survive the next 20 years,” says Scott Thumma, director of the [Hartford Institute](#). According to the institute, the median number of [attendees at Christian churches](#) is 60, down from 137 in 2000..

If the closure estimate proves even partially true, philanthropy will soon have to confront the question that the Bethesda Project is already facing: What's lost when a church closes?

## Faith and the Nonprofit

As organized religion wanes, faith-based groups arguably stand to lose the most. That's a bigger blow to the nonprofit world as a whole than you might expect.



DAVID CARSON, POST DISPATCH, POLARIS

**The Catholic Archdiocese of St. Louis is closing or merging 49 of its 178 parishes, its second major consolidation in 20 years. St. Cecilia, which has a largely low-income Hispanic congregation, was originally scheduled to close but survived.**

Among the nearly 1.5 million operating charities in the United States (not including foundations) are 384,000 houses of worship and another 109,000 nonprofits with a

religious mission — 34 percent of the total, according to an analysis by Indiana University scholar Brad Fulton and consultant Allison Ralph. An additional 177,000 are what they describe as “faith inspired” — organizations in the social services, health, education, or other fields that have some tie to a religion.

Faith-inspired groups dominate services to the vulnerable. They represent four out of every 10 international-aid groups and account for 40 percent of spending on social services, according to an analysis by the consultancy [Bridgespan](#). Nearly [three-quarters of addiction-treatment programs](#) are based at least in part on spirituality.

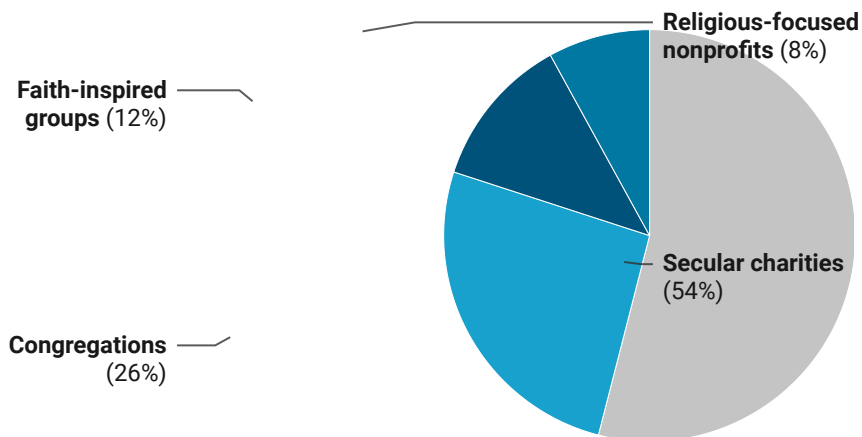
In some cases, religion is just a whisper in a group’s identity — a nod on the website to a founding in faith. But many groups continue to lean on houses of worship for funding, volunteers, office or operations support, and more.

If the decline in organized religion culls the number of faith-based groups, it might result in a welcome weeding out of ineffective organizations. Some weak groups “have been able to ride on the coattails of healthy churches,” says a top executive at a faith-based grant maker. “If they can’t stand on their own two feet without a captive audience, maybe it’s OK that they contract and higher-performing organizations step in to fill the gap.”



## Faith's Outsized Role in the Nonprofit World

Nearly half of the 1.45 million operating charities have at least some religious identity.



Source: Brad Fulton, Indiana University; Allison Ralph, Cohesion Strategy • [Get the data](#) • Created with [Datawrapper](#)

Yet there is no lack of significant organizations with faith — and church support — at their core. The Christian international-aid organization [World Vision](#) — with \$1.4 billion in revenue, making it one of the largest nonprofits in the United States — has a team of 40 who visit churches and build partnerships. Through these connections, it raises money for child sponsorships and musters participants for fundraising events like marathons.

If World Vision staff could no longer stand on stages at churches, “we’d have to seriously shift our recruiting efforts,” says Steve Spear, the organization’s national director of church engagement.

## What Secular Nonprofits Lose

Secular nonprofits stand to lose support as well. People who are religiously affiliated are simply more charitable. Sixty-two percent of households in which members regularly attend worship give to charities of all kinds. That compares with 46 percent

of households with no religious affiliation, according to [research](#) by the Giving USA Foundation and the Lilly School.

Most religions teach habits and principles that are fundamental to philanthropy: that we should love and care for one another. “If civil-society organizations are schools of democracy, congregations are schools of altruism,” says Fulton, the Indiana University scholar.



JOHN BLACKIE, NEWS-JOURNAL, IMAGN

**Disaster-relief workers — some of the more than 45,000 trained and deployed by the Southern Baptist Convention — clean up in Florida after 2020’s Hurricane Sally.**

Compassion and kindness taught in sermons and worship also motivate volunteerism. “Congregations are very good — perhaps uniquely good in American society — at mobilizing small groups of volunteers,” says the [National Congregations Study](#).

Collectively, they are an army: The Salvation Army and Southern Baptist Disaster Relief — among the largest disaster-relief organizations in the United States — train and deploy some 125,000 volunteers altogether.

[Every Mother's Advocate](#), which aims to prevent crises that might break up families, recruits volunteers exclusively from churches. There it finds charitably motivated people with a range of skills and backgrounds to help mothers with finances, legal issues, and child care. “A big benefit of partnering with the church is that you might get one person, and that one person knows 20 people,” says founder Charlee Tchividjian.

## **“If civil-society organizations are schools of democracy, congregations are schools of altruism.”**

Generosity is not a character trait exclusive to the devout. And research indicates that many of those who don't belong to a congregation remain spiritually inclined — and presumably charitably minded.

Yet outside a congregation, without the structure and nudges and community that it provides, giving may be more ephemeral. “You may have hundreds contributing online or being willing to volunteer” when an emergency hits or a cause becomes popular, says the Hartford Institute's Thumma. “But when the need is gone, they're gone.”

### **‘Invisible Safety Net’**

This summer, the Catholic Archdiocese of St. Louis — once known as the “Rome of the West” — [announced it will close or merge 49 of its 178 parishes](#). It's the largest consolidation of the Catholic church in the city's history and the second in the past 20 years.

St. Cecilia Catholic Church, whose congregation includes a large number of low-income Hispanic families, was originally scheduled to close but survived after a letter-writing campaign. “Please don’t kick us out for being poor, that is not what Jesus taught us!” one letter read, according to [local news reports](#).

The archdiocese has committed to maintaining a Catholic presence in neighborhoods that lose a church. But that’s not easy if that church was vital to the community, says Jared Bryson, CEO of [Catholic Charities](#) for the region. “How do you replace an anchor? You need some sort of ministry replacement that’s just as hefty as a church sometimes. I can’t grow and expand as fast as churches would close.”



TIM SLOAN, AFP, GETTY IMAGES

**Washington, D.C., residents line up to vote at Mount Bethel Baptist Church, an anchor for the Black community for decades and a staging ground for the 1963 March on Washington. It recently closed.**

As St. Louis demonstrates, the decline of organized religion doesn't augur well for neighborhoods where a house of worship is a force for good. Healthy congregations often run food pantries, medical clinics, voter-education classes, and other programs. Their buildings are community gathering places — for youth sports, scout troops, civic groups, substance-abuse programs, theater productions, and more.

“America's sacred places are de facto community centers,” declares [a report](#) by the nonprofit [Partners for Sacred Places](#) and University of Pennsylvania researchers. It found that 87 percent of those who attend community programs and events at a house of worship are not members of the congregation.

Researchers also talk of the “invisible safety net” in congregations — informal support among members when someone meets adversity like losing a job or falling behind on rent. Counseling by clergy also can help stop problems — a rocky marriage, substance abuse, depression — from becoming crises.

“I don't think anyone understands how big the invisible social safety net is,” says Burge, the Baptist pastor and political scientist. “And they don't understand what it's going to mean in 20 or 30 years when it's gone.” Nonprofits that serve the vulnerable can expect their workload will only grow. “The people who will fall through the cracks will be those we should be looking out for the most — the lonely, the addicted, the depressed, the poor, the marginalized, the sick. Those are the people who are going to be hurt the worst when religion goes away.”

In Washington, D.C., the city's once-strong network of Black Protestant churches is shrinking — at no small cost. It was the sanctuaries of Black churches where activists gathered to plan the 1963 March on Washington and other civil-rights efforts. It was Black clergy who led the fight for the city's first elected mayor and legislative body. And it was Black churches that helped neighborhoods survive the city's crack epidemic of the '80s and '90s.

The vast majority of churches closed in Washington have been converted to condominiums, says Liz Laird, co-founder of the nonprofit [Sacred Spaces Conservancy](#). “Black churches were really loving and caring for a city that no one else cared for,” Laird says. City leaders saw that, and it gave the churches political clout. “But that’s just not the reality anymore. They’ve lost their power.”

## Concentrated Good?

Any assessment of organized religion’s positive impact must be balanced against the harm it inflicts. Nearly half of Americans who aren’t religiously affiliated believe the country is better off without organized faith, according to a [new survey](#) by the American Enterprise Institute. Such antagonism has mushroomed in the wake of clergy abuse and corruption scandals, and subsequent cover-ups.



**Urban Grace, an ecumenical church in the theater district of Tacoma, Wash., is rebuilding its congregation by positioning itself as a hub for the arts and community service.**

Even as some point to faith as the means by which politically divided America comes together, [there's also evidence](#) that differing views about religion are deepening polarization. The Democratic Party's ranks [increasingly are filled with the secular](#), while [growing numbers of Republicans](#) see America as a Christian nation.

Looking to the future, it's possible that new expressions of organized faith will center on the common good. Micro-church communities, a relatively new phenomenon, often eschew brick-and-mortar facilities to anchor themselves on a model of service in disadvantaged neighborhoods, says the Rev. Dwight Zscheile, vice president of innovation at [Luther Seminary](#) in St. Paul, Minn. [Tampa Underground](#) in Florida supports more than 100 "missional communities," including ones that serve people experiencing homelessness, young entrepreneurs, men in recovery from substance abuse, and married couples.

"There's a model that's emerging that is fairly philanthropic but noninstitutional," says Zscheile, an Episcopal priest. "It's very direct, very local."

Rabbi Ariel Root Wolpe founded [Ma'alot](#), a Jewish community in Atlanta that meets outdoors and believes in the transformative power of nature, music, and ancient Jewish wisdom. Ma'alot could move to its own building at some point, Wolpe says, but only if it designs that space as a vibrant community center with amenities like a cafe and co-working space. "When you walk into a synagogue now during the week, it's a cavernous, unused space that thousands or millions of dollars are being paid into, and we're not getting a return."

Whatever supplants today's forms of worship, scholars worry it won't easily replicate the social good. The work of congregations might be approximated through other means, says Michael Wear, who directed faith outreach for President Obama's 2012

re-election campaign and now leads the [Center for Christianity and Public Life](#). “But we need to question the assumption that that will just naturally happen.”

## **Life From Death**

When churches close, what replaces them often can't match the social value, says the Rev. Mark Elsdon, a Presbyterian minister and editor of the forthcoming book [Gone for Good? Negotiating the Coming Wave of Church Property Transition](#). They are frequently converted to commercial use, torn down, or left vacant. A community might shrug off the death of a single church but not 30 or 40, Elsdon says. “That’s a massive change to the social fabric of communities.”

For weak or dying congregations, their numbers and energy depleted, it’s tempting and perhaps easiest to give in and sell their property to the highest bidder. These transactions can result in social good — cash from the sales often goes to support other churches or the denomination. But a small movement has begun to consider alternatives that benefit the church’s community itself.

## **Some congregations seek new life and revival of their finances through a deeper commitment to service and the common good.**

A church may have devoted itself to its neighborhood’s well-being for decades, says Bob Jaeger, president and co-founder of [Partners for Sacred Places](#). “That is its legacy. That is its heritage. Does it make sense to suddenly say, ‘We don’t care’? ‘We don’t care if it’s torn down or if it becomes condos for the wealthy?’”

At a relatively small number of declining houses of worship, congregations are designing an exit to maximize the good they leave behind. In death, they hope to offer life.



“There is still work out there,” Pastor Barbara Breland [said at the last service](#) of Lincoln Congregational Temple United Church of Christ in Washington, D.C. “There are women out there being sexually assaulted; we gotta vote; there are people who are homeless, who don’t have jobs, they can’t get health insurance. We have work to do.”

The 150-year-old church — which had been a headquarters for organizers of the 1963 March on Washington and a venue for such Black performing artists as Marian Anderson and Paul Robeson — shuttered in 2018 and reopened the next year as a community center.

Upon closing last year, the Church of the Holy Trinity, a United Church of Christ congregation in western Maryland, [donated \\$400,000](#) to endow a fund to support mental-health and homelessness services, among other charitable work.

All Saints Episcopal Church in East Lansing, Mich., [earmarked \\$130,000](#) — half of what it collected from the sale of its rectory — for racial reparations. Synagogues in places as different as [St. Louis](#) and [Ottumwa, Iowa](#), have been turned into arts centers. Arlington Presbyterian outside Washington, D.C., is one of many churches that has [converted all or part of their property to affordable housing](#).

Other congregations seek new life — and revival of their finances — through a deepened commitment to service and the common good. That can mean new nonprofit partnerships — and the reimagining of their often-empty buildings.

These arrangements take many forms. [Urban Grace](#), an ecumenical church in the theater district of Tacoma, Wash., has fashioned itself as a hub for the arts, creating rehearsal space, studios, and offices for area nonprofits. In west Philadelphia, [Calvary United Methodist](#) turned its century-old English Gothic building into a community and cultural center. In Louisville, Ky., a community-development nonprofit called [MOLO Village](#), started by [St. Peter’s United Church of Christ](#), runs the [Village @ West Jefferson](#), a \$7.8 million mixed-used complex on what used to be the church’s parking

lot. It features a credit union, a coffee shop, a day-care center, a health care facility, youth programs, and the first sit-down restaurant on the street in a half century.



MARTY PEARL, THE COURIER-JOURNAL, IMAGN

**“I do much more ministry outside the church and outside of Sunday than I do on Sunday morning,” says the Rev. Jamesetta Ferguson, whose Louisville, Ky., church started a community-development nonprofit.**

“I am of the opinion that I do much more ministry outside the church and outside of Sunday than I do on Sunday morning,” says the Rev. Jamesetta Ferguson, St. Peter’s pastor and MOLO Village’s CEO.

## **Pastors as Landlords?**

It’s not always possible, or ideal, to integrate a social enterprise into a church. Pastors often don’t know how to be a landlord or want to be one. Some congregations argue

that a church's identity should be rooted in religion, not good works. Also, revenue from tenants — many of whom aren't financially robust — can be volatile.

Still, [White Rock United Methodist](#) in Dallas offers evidence that mission work and nonprofit partnerships can give a church new life. A decade ago, White Rock's congregation numbered about 120 members, down from some 3,500 in the 1970s. Consultants advised it to close, but the church decided to fight what seemed inevitable. White Rock's strategy: turn its 65,000-square-foot, mid-20th-century building into a hub of activity.

As a start, the church turned a piece of its parking lot into a community garden with a chicken coop — needed signs of life for passersby. White Rock leaders walked the neighborhood and talked with government officials, small-business owners, school and PTA leaders, crime-watch volunteers, and nonprofit leaders about how they might use White Rock's facility. "I was out in the community, taking every meeting I could," says Neil Moseley, who was the church's director of community engagement.

Over time, White Rock opened a co-working hub and makerspace that served many of the artists in the community. African refugees began a sewing collective in the church. Chefs and caterers rented out the kitchen. One of the neighborhood's residents took over a floor of Sunday-school classrooms to expand her offerings of arts programs.

Today, the church hosts a preschool and a small school for children with special needs. A Zen Buddhist center also calls the church home. White Rock's pastor, the Rev. Kerry Smith, arrived last year and found herself managing a large social enterprise even as she ministered to a congregation that had grown to 300 members.

"It really feels like what the church used to be," Smith says, "like maybe hundreds of years ago — the church as a community center."

*A version of this article appeared in the [December 12, 2023, issue](#).*

We welcome your thoughts and questions about this article. Please [email the editors](#) or [submit a letter](#) for publication.

EXECUTIVE LEADERSHIP

RELIGION



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Drew is a longtime magazine writer and editor who joined the *Chronicle of Philanthropy* in 2014.



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