

were permitted to obtain stock in S&Ls in order to raise more money thereby transforming the S & Ls into profit-making enterprises. In 1982, the transformation was completed — single investors were allowed to own S & Ls. To allow the S & Ls to compete for investors (who were attracted to the high yield interest accounts such as money markets) the federal government repealed the regulation that put a cap on interest rates (a measure which benefitted investors but hurt borrowers seeking mortgages). FSLIC coverage on investments were increased to \$100,000, making the S & Ls attractive to large investors. And the requirements that deposits had to be used for home mortgages was lifted, paving the way for investments in more profitable commercial ventures.

Once deregulated, many S & Ls were taken over by wealthy depositors such as real estate developers and other entrepreneurs who loaned money to themselves and others to invest in profitable but risky ventures such as shopping centers, hotels, and office complexes and in high-risk junk bonds.

Deregulation led to the destruction of the S & Ls. Of the 4,732 institutions that existed in 1980, 2,227 had collapsed nine years later. Mismanagement was part of the problem — S & L officials using taxpayer-guaranteed deposits invested in high-risk markets; when the markets collapsed, so did the S & Ls. Additionally, “fraud, insider abuse, or outright criminality were factors at 60 percent of failed S & Ls” in the words of William Seidman, FDIC chairman. Fraudulent schemes such as “land flips” (where developers and mortgage brokers sell land back and forth among themselves at a higher price each time, yielding profits for the developers and brokers fees and “points” for bankers) created inflated “paper” values and the illusion of solvency.

The growing insolvency of the S & Ls and the mismanagement and criminal conduct of the S & L officials was detected by regulators at the Federal Housing Loan Bank Board (FHLBB) in the mid-1980s. However, due to the White House’s Office of Management and Budget decision to cut regulatory staff, the ineptitude of the FHLBB auditors and direct interference by the White House and a number of Congressmen’s efforts to block FHLBB’s Ed Gray’s efforts to crack down on S & L officials and to expose the impending disaster, the S & L crisis was allowed to continue until the end of the decade. Congressional interference — largely a response to the campaign contributions of financial industrial PACs and intensive lobbying by the U.S. League of Savings Institutions and other financial lobby groups — breached the limits of ethical conduct leading to the indictment and resignation of Speaker Wright and other influential Congressmen and the indictment and subsequent Congressional hearings against the group of Washington legislators known as the “Keating Five.”

In response to the collapse of the 2,227 S & Ls, the Bush administration proposed the Financial Reform, Recovery and Enforcement Act of 1989 (FIRREA). Among other things, the bill proposed a taxpayer bailout of the insolvent S & Ls. Through the sale of these bonds, to be paid back over 40 years, the federal government would take over hundreds of insolvent S & Ls and reimburse depositors’ accounts. More than half the cost of the bailout would consist of interest payments on the bonds. The bill passed in both Houses and was signed by President Bush on August 10, 1990. It is now clear that the proposed bailout will cost between \$300-\$500 billion in this decade alone (\$5,000 per taxpayer) and could cost \$1,369 trillion over the next 40 years when the additional S & Ls that are expected to fail are added along with the interest payments that have to be made to pay off the debts.

13. RESOLUTION “CONCERNING NATIONAL PRIORITIES”

Mr. Roman moved the adoption of the Resolution “Concerning National Priorities” found in Committee Report 3, page 12. He also drew attention to Advance Materials III, page 13. He spoke to the resolution.

91-GS-49 VOTED: The Eighteenth General Synod approves the adoption of the Resolution “Concerning National Priorities.”

CONCERNING NATIONAL PRIORITIES

Theological Rationale

As stated in both the 1988 Illinois Conference “Just Peace” Pronouncement and resolution on “Christian Faith and Economic Life,” it is the biblical sense that God calls Christians to seek the well-being of those victimized by poverty, injustice, and violence by engaging in sacrificial acts of mercy and justice (Deut. 15:11, Jer. 21:12, Micah 6:6-8, Psalm 72, Matt. 5:9, 23:23 and 25:31-46, Luke 4:18-19, James 2:15-16, etc.) Such actions are to go beyond mere works of “charity” and to include efforts that influence institutions and governments to structure society as to establish and ensure economic justice and peace.

This is an age in which military spending and activities worldwide has oppressed rich and poor nations alike into deeper indebtedness and strengthened their reliance on violence to secure political and national objectives. The churches of Eastern Europe have shown a leading role in changing the structures of their own oppressive governments to provide better socio-economic conditions and democratic opportunities for their people. It is no less necessary for Christians in already democratic nations, with much less risk of violence, to press our own governments to reorder our national priorities toward a common global and national security based on economic justice for all and to reduce significantly our dependence on military spending.

At the very least it is requisite that Christians seek together a deepened understanding — through prayer, biblical study and theological reflection — of what God is calling us to do in this time of immense social injustice and violence both at home and abroad. Such communion with each other and the Holy Spirit must, however, lead to actions that “let justice roll down like waters” (Amos 5:24); otherwise we risk the guilt of the pharisees whom Jesus charged with having “neglected the weightier matters of the law, justice and mercy and faith” (Mt. 23:23-24). As Jesus himself was unafraid to challenge the religio-political structures of his own people — sabbath laws and table fellowship sanctions that denied well-being to the poor and oppressed — so we must not hesitate to witness to our faith that “those who oppress poor people . . . insult the God who made them” (Prov. 14:31). For those privileged to dwell in a land of democratic rule, it is our responsibility as “the people” who govern themselves to see that our faith expresses itself to ensure “that justice is done everyday” (Jer. 21:12). These convictions lead us to respond with the following resolution.

WHEREAS, our biblical faith and Christian heritage resound with God’s call for justice and peace;

WHEREAS, General Synod over the years has shown deep

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concern and committed itself to efforts for justice and peace (GS15 "Affirming the U.C.C. as a Just Peace Church & GS 17 "Christian Faith, Economic Life and Justice);

WHEREAS, justice and peace are impacted directly by a national priority of military strength and spending;

WHEREAS, common global security for all God's people is based not only on legitimate defense measures but also on all people having an opportunity to meet their basic needs for food, shelter, health care, education and work with dignity; to live in a safe and healthful environment; and to enjoy human rights, including the right to participate in decisions affecting their lives;

WHEREAS, Christians in the United States have a fundamental right and responsibility to convey to their elected representatives their faith that God does call nations and governments to seek and do justice through peaceful means, so that all persons may share equitably both in a common security and in the abundance of God's creation;

WHEREAS, it is the right and responsibility of United States citizens to petition their government with regard to the priorities on which they wish their tax dollars to be spent;

WHEREAS, U.S. military spending has roughly doubled in the last decade, thus deepening the U.S. debt and causing urgent and continuing societal needs to go unmet or to be unfunded;

WHEREAS, immense changes in international relationships are creating opportunities for significant military reductions;

WHEREAS, substantial and continuing reductions in military funding would demonstrate the U.S. resolve to reduce the world's reliance on the military especially if a company, re-directs its resources to peaceful efforts towards overcoming hunger, poverty and meeting basic human needs at home and abroad.

THEREFORE, BE IT RESOLVED, the Eighteenth General Synod of the United Church urges its members, churches, associations, conferences, national bodies and related institutions:

to examine their responsibilities as Christians toward furthering economic justice, peace, human wholeness and well-being as central aspects of God's promised shalom, through

prayers, biblical study, and theological reflection in relation to contemporary realities of economic injustice and violence, utilizing the Fifteenth General Synod Pronouncement "Affirming the UCC As A Just Peace Church" and Seventeenth General Synod Pronouncement "Christian Faith, Economic Life and Justice" as resources for study and reflection; and

to petition the United States Congress and President to demonstrate a reordering of U.S. national priorities by:

establishing as the primary U.S. foreign and domestic policy objective the fostering of a common global security based on economic justice;

encouraging peaceful settlement of conflicts through regional and international negotiations;

reducing overall military spending substantially each year over the next five years, allocating the savings toward increasing support for domestic programs that address human needs. These needs include aiding military personnel, military-related industries and their employees to convert to productive non-defense work that will provide employment opportunity for workers displaced by these changes;

working together, particularly in the economic arena, to overcome hunger and poverty, to reduce debt burdens, to promote human rights and people's participation in political decisions affecting them, to ensure sustainable development, and to protect the environment.

Background

Why do We Need New National Priorities?

During the last decade, federal economic and social programs were drastically reduced while military spending increased to produce the enormous federal deficit we have today. State and local governments picked up some of this responsibility while the federal budget went increasingly to military expenditure and debt service on military expenditures. Illinois lost \$7.8 billion between 1981 and 1989. Now we are faced with drastic budget cuts in state social programs.

For Instance:

Consider a few comparisons of military spending to our Governor's current proposed cuts in the Illinois budget:

Optional medical services eliminated: no crutches no wheelchairs no dental work no eyeglasses no hospice care no foot care	1,091,582 people affected: 420,633 working poor & 670,949 on Aid to Families with Dependent Children	\$82 Million	Operation of one aircraft carrier for 5 months
Unemployed single adults cut off General Assistance after 6 months. They currently receive \$165 per month.	101,000 people affected	\$139 Million	The Tomahawk missiles exploded in 1st week of Gulf War (100+ at \$1.35 million each.)
Eliminate Residential Energy Assistance Program	221,000 households affected	\$48 Million	Four nuclear tests

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Eliminate Substance Abuse Advocacy Services and Drug Alcohol Substance Abuse contracts	Whole communities affected by lack of drug treatment	\$9.6 Million	Four M-1 tanks
Eliminate all medical assistance to General Assistance recipients	101,000 people affected, as well as medical institutions	\$52.4 Million	One F/A-18 Navy fighter plane
TOTAL PUBLIC AID CUTS, including those listed	1,258,000 people	\$700 Million	Half of a Trident Submarine
TOTAL PROPOSED CUTS, including those listed	The whole state	\$900 Million	One B-2 bomber

14. SUNDAY WORSHIP OFFERING

The Moderator called on the Rev. Doris Powell. She announced that the Sunday worship offering was \$13,668.00.

15. SUSPENSION OF THE RULES TO CONTINUE DISCUSSION

Moderator Gosselink asked the body's feeling regarding continuing reports from the committees. A motion was made to suspend the rules and continue reports.

16. PROPOSED PRONOUNCEMENT "CHRISTIAN FAITH, PERSONAL STEWARDSHIP AND ECONOMIC SHARING"

Ms. Nancy Hamelberg, the Chairperson of Committee Three, introduced Mr. Kenneth Heasley who pointed out the changes made by the committee. Ms. Hamelberg moved that the body adopt the Proposed Pronouncement "Christian Faith, Personal Stewardship and Economic Sharing." Mr. Heasley spoke in favor of the Proposed Pronouncement.

91-GS-50 VOTED: The Eighteenth General Synod adopts the Pronouncement "Christian Faith, Personal Stewardship and Economic Sharing.

PRONOUNCEMENT CHRISTIAN FAITH, PERSONAL STEWARDSHIP AND ECONOMIC SHARING

SUMMARY

This pronouncement calls members of the United Church of Christ to be faithful stewards of God's gracious gifts to us and others for the benefit of all creation. The pronouncement grows out of a desire that the Church serve as an example of economic justice within its own community in solidarity with human need everywhere, thus showing its faith through faithful practice. This pronouncement recommends guidelines for giving that reaffirm the resolution on Stewardship of the Fourteenth General Synod.

BACKGROUND

This pronouncement is presented by the Stewardship Council in response to the direction of General Synod Sixteen "to prepare a pronouncement to be presented to General Synod Seventeen regarding personal stewardship and the idolatry of mammon, in the light of the work of the Task Force on Christian Faith and Economic Life." In order that this present pronouncement might follow the work of that task force, the Executive Council agreed to postpone its submission until the

Eighteenth General Synod. The Seventeenth General Synod adopted the Pronouncement "Christian Faith: Economic Life and Justice," growing out of the work of the Task Force on Christian Faith and Economic Life. The pronouncement presented here is intended to relate the issues of the Economic Life and Justice pronouncement to the two faith issues of personal stewardship and economic justice.

BIBLICAL, THEOLOGICAL AND ETHICAL RATIONALE

Throughout this statement of biblical rationale the word "righteousness" is used. It is an important word for the purposes of this study. By this is not meant either superficial piety or self-righteousness. The word is used in its positive biblical meaning. Throughout the Bible, the concept of righteousness (sedeq, sedeqah) includes moral justice. Two emphases of that moral justice are right conduct and right sharing. Justice and mercy are two sides of the same coin.

This call is the call of God to a spirituality based on grace, gratitude, and compassion. It hears the searching question of Jesus: "Why do you call me 'Lord, Lord,' and never do what I tell you?" (Luke 6:46 REB) It understands that growth in grace is coupled with willingness to let God guide and change the way we use and share the resources which God has entrusted to us.

Righteousness, in the Old Testament, also refers to the liberating acts of God (See Micah 6:5). It is of such a righteousness that Isaiah 45:8 (Revised English Bible translation) speaks:

Rain righteousness, you heavens,
let the skies above pour it down,
let the earth open for it
that salvation may flourish
with righteousness growing beside it.
I, the Lord, have created this.

Righteousness is linked to the biblical concept of shalom, peace and wholeness (Psalm 85:8-13, Isaiah 32:17-23). There will only be true wholeness and true peace where there is fairness and sharing.

THE OLD TESTAMENT

A look at stewardship in the Bible appropriately begins where the Bible begins, with the two stories in Genesis regarding the creation, Genesis 1:1-2:3 and 2:4-24. Though often used to justify the misuse of creation, these stories really tell us that the earth belongs to God and that human beings have been charged with tending the earth. The world and all that is in it comes to us and to all creatures as a gift from God, to be accepted, shared, and enjoyed in responsibility and in gratitude.