

The Board and Its Debt During the Great Depression

1929-1933

ACCESSION NUMBER:	2720
DATE:	May 09, 1929
LOCATION:	Memphis, Tennessee
TYPE:	SBC

CONQUERING THE DEBT

We are glad to report a further reduction of our **debt** by almost \$200,000.00. The **debt** as set up on the books January 1, 1928, amounted to \$1,145,000.00. By the first of January 1929, the **debt** had been reduced to \$961,200.17. At the present time, May 1, 1929, the **debt** is \$802,560.88.

Our plan for reducing the **debt** is to apply to it 10% of all receipts from the Cooperative Program, all special gifts made for this specific purpose and all moneys received from the sale of properties owned by the Board and which are not now in use for mission purposes.

The ways in which to expedite the clearing away of this **debt** are for us to give more to the Cooperative Program, and more special gifts for reducing the **debt**. The Board will do its utmost to sell every piece of property abroad that can possibly be spared. We sold one piece of property during the year for \$90,000.00 for which the Board paid a few years ago \$12,500.00. If our people by their gifts will pay two-thirds of the remaining indebtedness, the Board feels that it can pay the other one-third out of the sale of properties it holds in foreign lands.



FACING OUR SITUATION

The appropriations of our Board for 1929 are the lowest the Board has made for its work in ten years, and even this low figure contains an item of \$100,000.00 to be applied to the **debt**. The amount we are appropriating now from year to year takes care only of the bare current expenses. It does not provide enough either for the up-keep of our property or for maintaining the personnel of our mission force.

We have provided during this year practically nothing for the repairing of property in China that was very greatly damaged by the war. We cannot go on as we are

ARCHIVES ^A_B RECORDS
m a n a g e m e n t

10/28/2004

going without incurring repair bills on our property that will be far in excess of what they would be now if we could appropriate to make proper repairs. Of course we can let our buildings stand as they are, and have some of them fall down on us after a while, but that would be very poor economy.

Something must be done to re-enforce our dreadfully overstrained missionary body. In 1926, 1927 and 1929 we lost eighty-two missionaries by resignation and nine by death. During these same years we appointed only twelve new missionaries. In addition to this is the sad fact that we have at home now on sick furlough more invalid missionaries than we have ever had. It requires little imagination to realize the strain, which these circumstances have thrust upon the missionaries who are able to stay at their posts. No growing work can endure very long such tension. God is blessing their labors marvelously, but our very development and the increase in opportunities bring additional burdens upon our depleted missionary force.

If we do not re-enforce soon, we shall meet disaster in some of our most promising fields. Nobody who knows anything about the progress of foreign missions is raising a question now about whether we need more foreign missionaries. We need them everywhere in all fields. We ought to send out next year 150 new missionaries. The work seriously demands them. If Southern Baptists would appraise truly the fitness of their message for the prevailing world situation, nothing could keep them from doing that much.

There is another significant phase of this matter. We are holding in leash a large number of volunteers who are ready to go out. What effect will our hesitancy have upon the careers and even the faith of these young people? Furthermore, what effect will our course have upon the spirit of heroic endeavor that may be animating other young people who are trying to find their life work? Shall we say to these young men and young women it is vain for you to see visions? Shall we destroy the spirit of conquest in them through our failure to dream dreams? We should not overlook the fact that these volunteers are God called. The needs out there cry to them day and night. Has God made a mistake in calling these volunteers? How shall they preach except they be sent? How shall Southern Baptists answer to God for their failure to send out those whom the Father has called to go?

ACCESSION NUMBER:	2726
DATE:	May 14, 1930
LOCATION:	New Orleans, Louisiana
TYPE:	SBC

REDUCING THE DEBT. 

ARCHIVES ^A_B RECORDS
m a n a g e m e n t

10/28/2004

It makes us very happy to be able to report a further reduction of our **debt**. The progress we have made in reducing the **debt** is shown by the following table:

Debt January 1, 1928	\$1,145,000.00
Debt January 1, 1929	961,200.17
Debt January 1, 1930	737,864.32
The debt May 1, 1930 is	\$ 615,137.32

The **debt** was reduced \$187,423.56 during the year closing May 1, 1930.

We state again that our plan of reducing our **debt** is to apply to it 10 per cent of all receipts from the Cooperative Program, all special gifts made for this specific purpose and all moneys received from the sale of properties owned by the Board, which are not now being used for mission purposes.

We have sold during the year only one small piece of property and applied the receipts to the **debt**. Other property is for sale.

We would express our profoundly grateful acknowledgment of the great gift of \$190,130.81 made by the Woman's Missionary Union of the South in their Lottie Moon Christmas Offering taken December 1929, out of which \$86,130.81 were applied toward the reduction of the **debt**. The Board never received a gift, which it appreciated more or which brought to it more relief.

We are also very grateful to all others who have made special donations to this debt-paying fund. May their tribe increase! While everybody knows that in pursuing our debt-paying policy and plans we are compelled to cut down appropriations to the work abroad, yet we hope to see the **debt** so reduced soon that our people, realizing the feasibility of wiping it out entirely, will rise up and do so without delay.

FACING THE FACTS ABOUT OUR INCOME

We must ask the Convention to give serious and specific consideration of our Board's financial condition and instruct us as to what we should do. Our receipts during the year just closed were \$1,222,287.30. This was \$206,369.61 less than the amount received last year. Such a falling off in our receipts at this time when the appropriations of the Board have been reduced already to the lowest among upon which it seems possible to sustain the work at all, is appalling and raises the gravest questions about the course we must pursue. We call attention also to the sources of our income. The Board received from the Cooperative Program last year \$802,065.00, and from designated gifts \$568,867.00. This shows that our designated gifts comprise over 10 per cent of our total receipts. Therefore, any diminution of our designated receipts not compensated for by increased receipts

from the Cooperative Program will quickly and disastrously affect the very existence of the Foreign Mission Board.

While we have been and still are crippled by a heavy **debt**, we have pointed out recently that the **debt** is not our chief trouble. Even if the **debt** were paid we should still have the chief problem confronting us, namely, that Southern Baptists are now not giving enough to maintain our present work on the foreign fields. Unless the receipts of the Board can be increased, we must incur either a larger **debt** or we must abandon some of our fields.

During the last three years, we have suffered a net loss of 100 foreign missionaries. During the same period we have lost 600 native missionaries. Shall we now be forced to incur the further loss of some of our fields? The Board recognizes vividly that this would be nothing short of calamity, and it would contemplate taking such a step only as a last resort.

The Board is the servant of the Convention. Its business is to administer such funds as Southern Baptists give for worldwide evangelization. We can do no more mission work than that for which Southern Baptists provide. The Board, therefore, comes to the Convention now with the question, "What must we do?"

In answering this question it must be borne in mind that in the nature of the case we cannot contract our work suddenly, because it is spread all over the world. We cannot cut it down much more without ruining it. Our receipts last year were about the same as in 1919 when the 75 million Campaign was launched, while we have 100 more missionaries now than then, and the work in all ways has been expanded by at least one half. We emphasize that the work cannot be contracted immediately. It will require time in which to bring missionaries home, and to close contracts with the native missionaries.

We should also take into account the spiritual values involved. What would it mean for us to say, "Come home," to missionaries who believe they are called to foreign service? Shall we say to them, "We believe God called you to go but Southern Baptists are calling you to come back"?

Furthermore, we should take into consideration the solemn obligations we have toward meeting the needs of the unevangelized multitudes in the regions beyond. We believe our Baptist message is the message best calculated to meet the needs of this awakened age. The effect of our present faltering support of foreign missions is to raise questions about whether we really believe in the adequacy of our Baptist message. Will not the course we are following almost give countenance to one of the most seductive heresies of our time, namely, that any religion will do? What profit to the world is it for us to believe that "In none other is there salvation: for neither is there any other name under heaven, that is given

among men, wherein we must be saved," if we then hide that Name in our own bosoms and in our own borders?

ACCESSION NUMBER:	2728
DATE:	May 13, 1931
LOCATION:	Birmingham, Alabama
TYPE:	SBC

FINANCIAL CONDITION OF THE BOARD

Early in January of this year we issued a statement about the financial condition of the Board. Since this statement is a very clear-cut one, and still applies, we quote it here:

The debt as originally set up January 1, 1928	\$1,145,729.74
To this was added the interest for the year 1928, amounting to	65,878.32
Total debt to be paid	<u>\$1,211,608.06</u>
Paid on the above:	
During 1928	\$246,206.42
During 1929	227,537.32
During 1930	142,864.32
	<u>616,608.06</u>
Amount of original debt at December 31, 1930	\$595,000.00

On account of the great decline in our receipts during 1930, it became necessary to borrow large sums to provide for our current expenses. Since this **debt** on current expenses is a real obligation of the Board, it was decided to combine into one account the old and the new **debt** accounts.

The combined account is:

Balance due on "old debt " shown above	\$595,000.00
New loans made during 1930	335,000.00
Amount of current liabilities over current assets	<u>15,366.27</u>
Total indebtedness of Board, January 1, 1931	945,366.27

The explanation of the necessity of making the new loan is:

ARCHIVES ^A & ^B RECORDS
m a n a g e m e n t

The appropriations (budget) for 1930 were the same as for 1929

Our cash on hand, Jan. 1, 1930, compared with cash on hand, January 1, 1929, was

	\$19,706.15
	Less
Our receipts during 1930 were	264,721.87
	Less
Amount due the 1929 debt fund brought over and paid during 1930	<u>51,110.64</u>
Total deficiency in available funds for 1930	\$335,538.66

When it became apparent that there would be a serious loss in our receipts during 1930, we put forth every possible effort to curtail our expenditures with the result that we did not spend all we had appropriated for the year by \$51,000.00.

Then in October when we made appropriations for the calendar year 1931, we reduced the appropriations \$280,000.00 below the amount appropriated for the year 1930. This was a reduction of 20%. We believe that a 20% reduction is as great as could be reasonably expected. It was certainly as great a cut as the work would stand.

We also decided at the October meeting that we would suspend temporarily, payment of the 10% of our Program receipts upon the **debt**. We, of course, will continue to apply to the **debt** sums specifically given to that object, and any money that we receive from the sale of property. This does not mean that we are abandoning the policy of applying 10% of our Program receipts as payment on our **debt**, but we are suspending it only until the time when we can get our receipts and expenditures more evenly balanced. We shall take up again this plan at the earliest moment possible, which we pray may be soon.

The **debt** of the Foreign Mission Board January 1st, 1928, was \$1,145,000.00. On January 1st, 1931, it was \$945,366.00. This shows a net reduction of \$200,000.00. There have been times during this three-year period when the **debt** was much lower than it is now. We were getting on well at reducing our indebtedness until last year when our receipts dropped \$265,000.00 below the amount received during the calendar year 1929. Our budget was the same for each year.

We were profoundly grieved over this unexpected fall in income and the corresponding necessity of having to borrow additional amounts in order to carry on our work. While we had to raise the **debt** above the lowest figure at which it

had stood, yet we are grateful to realize that even so the **debt** is \$200,000.00 below what it was three years ago.

These figures demonstrate that the great problem before us is to find money enough to meet our current expenses. We continued during 1930 to pay sums upon our regular indebtedness, but our receipts for current expenses fell off so greatly that we were compelled to run up a new **debt** in order to take care of the work. In 1928 and 1929 we made steady progress in reducing our **debt**. We would have kept this up in 1930 if our people had given us enough to provide for our budget on current expenses. The simple story is that Southern Baptists failed to give to our Foreign Mission Board last year enough to provide for its current appropriations.

We beg our people to realize that we cannot cut down our expenditures more without doing most serious injury to our work. We are down now actually to the minimum at which our work can be preserved. Our appropriations at this time are on a level with those of 1919, the year the 75-Million Campaign was launched, yet now we have 82 more foreign missionaries, and 1,137 more native missionaries than we had then. In addition there has been great expansion along all lines. It ought to be clear that this work, which has widened so wonderfully during these years, cannot be maintained on the same amount of money that we were spending on it twelve years ago.

The Foreign Mission Board cannot perform miracles in financing. We are not here pleading that we be given more in order that we may expand in a daring way, but we are begging for enough money with which to carry on the work we have already. We are pointing out to the Convention the solemn fact that unless we are given more than has been given during the last year, we cannot continue to pay debts and maintain this work as it is at present organized.

STILL ANOTHER **DEBT**

We feel constrained to call attention to another **debt**. We spend so much time worrying over the bank indebtedness of the Board that we overlook this other **debt**, which presses persistently for payment every day. This is the **debt** to be paid before all others. Perhaps the reason why we are having so much trouble paying the **debt** in the banks is because we have defaulted so sadly in paying this preferred **debt**. The surest guarantee of payment of our bank indebtedness would be the payment of this primary **debt**.

This is the **debt** to the nations, which Paul confesses in the First Chapter of Romans when he says:

“I am debtor both to Greeks and to Barbarians, both to the wise and to the foolish. So, as much as in me is, I am ready to preach the gospel to you also that are in Rome. For I am not ashamed of the gospel: for it is the power of God unto salvation to every one that believeth; to the Jew first and also to the Greek.”

If Southern Baptists will pay fully this **debt** to the nations, the banks will be paid over-night, and the cause of Christ in all the world will be set forward without delay.

ELEMENTS PECULIAR TO OUR SITUATION

We cannot contract our work suddenly. It is so widely scattered that letters of credit must be sent out two months before the time of spending. We cannot audit the books of our Board for the fiscal year until March, because we must have time in which to get in all the returns from the many fields.

The contracts with native workers are made by the year, and in some countries we are not permitted by the law to terminate a contract without continuing a heavy stipend for a considerable period. The bringing home of missionaries, at least for the year, is more expensive than leaving them on the field, because their heavy traveling expenses have to be added to the burden we are trying to lift.

Furthermore, the recalling of missionaries is not as simple as dismissing an employee from service. These missionaries are out on the field under what they and we believe is the call of God. Their consciences and loyalty to Christ are involved. It is not merely a business contract between employer and employee. It is a spiritual relationship, which cannot be ruthlessly and summarily terminated at the whim of the employer. The missionaries are not the hired hands of the Foreign Mission Board. The Foreign Mission Board is only the agent of Southern Baptists. The moral and religious character of Southern Baptists is behind these missionary messages at the front. They have gone out for a life service in the spread of the gospel, and have a right to expect that their Southern Baptist supporters manifest the same spirit of sacrifice before they have any moral justification to demand the recall of the missionaries.

The Foreign Mission Board would hesitate a long time before it would take the responsibility of recalling enough of these missionaries to really affect the budget. Such a course as this is so grave and involves the integrity of Southern Baptists so deeply that it could be done properly only by the Southern Baptist Convention.

The same serious restraint would be felt by the Foreign Mission Board in reference to withdrawing completely from one or more of our mission fields. We must remember, too, that the withdrawing from fields involves withdrawing the

missionaries in those fields. The Board would feel that the Convention alone could take such a step as that.

Suppose we should undertake to reduce suddenly the expenditures abroad to the extent of the \$265,000.00 Southern Baptists dropped last year in their giving. Suppose we take this out of the schools. It would close every school and we should still have to find some other place for the saving of \$64,000.00. Suppose we were to dismiss all of our native workers in order to save their salaries. In order to save a sum equal to the \$265,000.00, we should have to dismiss all our native workers and then find some other place for the saving of \$50,000.00.

Suppose we should attempt to effect the saving of the \$265,000.00 by reducing the amounts appropriated to the hospitals, the publishing houses and for the rents and repairs on the buildings, and all other miscellaneous items. This would close every hospital, every rented chapel in which we are trying to preach the gospel, every printing press would cease its work and all other miscellaneous items connected with our work would be left unmet and we would still have to find some other place where we could save \$100,000.00.

From these concrete statements it is apparent that if we do very much more outting on our foreign mission work we will cut the work out.

In the face of such solemn facts as these, the Foreign Mission Board decided that to save the work it would hazard incurring some misunderstanding and some criticism. It borrowed the money to meet our promises and save our credit and work at home and abroad.

ACCESSION NUMBER:	2729
DATE:	May 13, 1932
LOCATION:	St. Petersburg, Florida
TYPE:	SBC

THE DEBT

The **debt** January 1, 1932, was \$1,145,657.00. This has been reduced a little since that date.

The enlarging of our **debt** during the last two years has not been caused by expansion of our work, nor by extravagance in our expenditures. It was forced upon us by the terrific falling off of our income. Our income during the last two years has dropped a half million dollars, whereas our indebtedness has increased only \$400,000.00. To illustrate how we have tried to hold down our indebtedness

and expenditures, we point out that the budget for 1932 is only 61 per cent of what it was for 1930.

We have included in the budget for 1932 \$60,000.00 to be used for the reduction of our **debt**. This may not appear to be a large sum, but it is a long, long way ahead of our position last year, when we were not only unable to pay anything on the **debt**, but forced to increase it.

Our **debt** is an awful burden. Southern Baptists, at the earliest date possible and in addition to what can be done out of our regular receipts, must put forth special effort to pay it off. To attempt to pay the **debt** out of current annual receipts would force us to stretch the **debt** paying through a period of years so long that our people would become discouraged and such an arrangement would probably be very unsatisfactory to the banks. Besides, it would delay the re-enforcement of our missionary body until a large portion of the missionaries we now have would be gone. It would deplete the vigor of our missionary activity to a degree that would cause it to languish and possibly much of it die for lack of nourishment.

SOME QUESTIONS ANSWERED

It gives us great pleasure to answer as far as we can any questions friends may ask about our work.

Why have we not abandoned some of our fields? Year before last when the awful realization came over us that our income was dropping at such a rate that we should be unable perhaps to meet our obligations, the thought of being forced to abandon some of the fields came prominently into our minds. In passing its budget for 1932 last October, the Board made the following explanation to its missionaries: "The theory on which the appropriations have been made is that it is better to continue our work even with depleted sums in all our fields, than to attempt to withdraw from some of the fields. The abandonment of some of the fields would involve the questions of additional traveling expenses, and the calling home of missionaries who feel led by the Lord into these foreign fields.

"Furthermore, to effect as large a reduction as we have made in our appropriations, would involve the forsaking of so many fields as to be utterly discouraging to our people. There will come a day when we shall, under the blessing of God, be able to rehabilitate our depleted work. This rehabilitation can be done more effectively and more promptly if we hold continuous occupancy of the fields."

Besides all of this is the profound feeling that Southern Baptists would cling to every one of its missionary children to the very last, even though we cannot

provide them with sufficient means to enable them to maintain their activities in full vigor.

Why have we not cut our budget more? We would call attention again to the great difficulty we have in cutting down the budget of this work, which is so widely spread over the face of the earth. We wish Southern Baptists to consider exactly what the Board has done along this line and continues to do. Without comparing the present budget to those high peaks of the 75 Million Campaign period, we would draw attention to the sobering fact that our budget for 1932 is \$321,000.00 below the budget for 1919, the year in which the 75 Million Campaign was launched. The Board has done some frightful cutting in order to come down from the appropriations during the 75 Million Campaign time to the low ground of the present budget. It can be little short of tragedy that our budget for 1932 is only three-fourths as large as was the budget for 1919 -- twelve years ago.

What has been done in budget reduction during the last five years? The budget for this year is one-quarter of a million dollars less than the budget for last year (1931). It is \$525,000.00 less than it was for the year 1930. It is about \$600,000.00 less than it was five years ago (1928). We have tried desperately to keep our expenditures within the income during the last two years, and any one ought to be able to see easily how impossible it has been for us to keep our expenditures within our income, when during the last two years, 1930 and 1931, our income has dropped a half million dollars. We could not keep pace with that drop without destroying too much of our work.

Why did not the Board reduce the Budget faster? We would point out again that this work is widely scattered over the world, and cannot be contracted without incurring temporarily additional expense. Besides, we have been hoping that the tide would turn and our people recover themselves in time to save the work in all fields. We proceeded on the assumption that Southern Baptists are unwilling even now in these hard times to confess that they propose to destroy their foreign mission work, or that they are willing to turn deliberately their backs on the command of our Lord to carry the gospel into the whole world. We have drawn in our lines just as rapidly as we could. We have not abandoned the fields. We have gathered our forces together, not for the purpose of retreating permanently from any field, but with a view to pressing again an even more widespread campaign of preaching the gospel in every one of the fields. The command that yet binds us is "Go."

We have been cutting at a frightful rate of speed. The fact that we have lost a net of 127 missionaries in the last six years is an impressive reminder of this. This is a loss of almost a quarter of the largest missionary force we ever had afield. It is the loss of 25 a year on an average. Isn't that fast enough? If we keep up the present

rate of decrease in our missionary force, time will solve soon the matter of balancing our budget.



OUR PRESSING EMERGENCY

We are now confronted with the most critical emergency the Board has ever faced. Our income always drops off seriously in the summer and early fall months. In the past, during this lean period, we have gone to the banks and borrowed money to tide us over. When our income revived, we repaid the banks. During the last two years our income has not picked up sufficiently to enable us to repay the bankers, and we have been forced to add the borrowings for current expenses to our old **debt**. The bankers have notified us that we cannot borrow more money, yet during the coming lean period we must be prepared to meet promptly the authorized drafts, which come in from our missionaries from all over the world. If we should fail to meet one of these drafts when it is presented, the credit of our Board will be ruined. What can we do? We would make the following suggestions:

1. We should put forth every effort to make the lean period as short as possible. We can do this by keeping paid up the pledges made in our Every-Member Canvass for the Cooperative Program. We must realize this year the urgency of keeping these Program pledges paid up to date. Those who are going away on vacations should be urged to provide for the payment of their pledges while they are away. The money from the pledges should be sent in as promptly as possible, so as to mitigate as far as possible the awful strain caused by this lean period. We should remember that the summer season in many fields is the most active of all of the seasons in the year. The needs of our foreign mission work are especially pressing in the summer time.
2. Since the banks will not lend us more money, we must be our own bankers. We, therefore, would urge that the Convention call upon the churches to make an emergency offering to foreign missions on the first Sunday in June or some convenient day soon thereafter.

It might be urged that the Foreign Mission Board reduce its expenditures in the hope of meeting this emergency. We call attention to the fact that we have already cut our appropriations for 1932 by more than twenty-five per cent. Other parts of this report will show how the Board has tried to bring its expenditures within its income. This emergency cannot be met by cutting. The only remedy is that our people come to the Board's relief, and be the bankers for the Board this year.

Please get our situation clearly in mind: The lean period is on us and we cannot borrow money. Even though we might reduce our budget we cannot stop the work sufficiently to provide the necessary funds we must have through this lean period. The Convention must come to our relief.

THE ONLY OPEN COURSE

Southern Baptists and their foreign mission work have reached the shore of their Red Sea. The Israelites in the long ago were in no closer place than we are. We are certain God has for us the same directions he had for them. Right through the seas of difficulty we must advance at the command of God. Indeed, in mission work there is no course open except "forward."

We cannot succeed in missions on a retrograde program. Once we have reached the heights, and have contemplated the appealing opportunities stretching out before us, we can never be satisfied to turn back to lower levels of endeavor. The consciousness of having failed God in a hard place, would take from us our spiritual self-respect.

Where is the fighting spirit of Southern Baptists? Not a fighting spirit which will draw the blood of others, but which will, like Christ, shed its own blood for the redemption of others. It is the spirit of self-denial. Where is he who will take up his cross in self-denial and follow Christ? His course is always forward. We cannot turn back. We cannot retreat and live. "Speak to the Children of Israel that they go forward."

ACCESSION NUMBER:	2730
DATE:	May 19, 1933
LOCATION:	Washington DC
TYPE:	SBC

OUR **DEBT** SITUATION

The **debt** of the Foreign Mission Board on January 1, 1932, was \$1,145,657.08. The net outstanding obligations of the Board on January 1, 1933, were \$1,115,177.17, a reduction in the obligations of the Board of \$30,479.91 for the calendar year of 1932. Since the first of January 1933, we have paid the sum of \$20,490.90 on one of our bank notes, making a total of \$50,970.81 paid on the debts of the Board since January 1, 1932.

We are paying out \$65,000.00 this year for interest on borrowed money. This sum is sorely needed for the current work of the Board this year. If some way could be

found for the payment of the **debt**, this great sum would be released for current work of the Board.

The recent national crisis in the banking world has suddenly thrust the **debt** situation of the Foreign Mission Board upon this Convention in a very acute and realistic way. One great bank that has been a generous and constant friend of this Board through many years and holds the notes of the Board for more than \$200,000.00, is now operating under governmental restrictions, and in all probability, we will be called upon to repay this loan within a short time. The financial obligations and commitments of your Foreign Mission Board are delicate, complex and worldwide in the ramifications, and this national upheaval and readjustment in the banking world has demonstrated anew the absolute necessity that this session of the Convention shall find some method and work out some plan, whereby the debts of the Boards, institutions and agencies of the Southern Baptist Convention shall be paid in an honorable and orderly way.

We would join with the other distressed and harassed Southern Baptist Convention causes in urging upon the Convention the absolute necessity of finding a solution of this whole **debt** problem before this session adjourns.

SHALL WE RETREAT FURTHER?

Momentous and far-reaching decisions as to the present status and future scope of the foreign mission work of Southern Baptists, must be made by this session of the Convention. The income of the Board has been constantly downward since 1927. The Board has made a determined and heroic effort to save, at least a semblance of organization and a remnant of its work on all the mission fields. Schools, seminaries and hospitals have been closed, native workers discharged, chapels and preaching places have been abandoned, and everywhere there has been retrenchment and curtailment, until just about all we have left now is the greatly reduced missionary personnel, scattered through the mission stations in some fourteen countries. During this year we have lost seventeen by resignation and two by death. There has been a net loss in missionary personnel of this Board of 147 in seven years. Many of our finest young people, trained in college and seminary, are begging to be sent out, but not a single recruit has been sent out this year. Instead of sending out new recruits we have been compelled to keep at home a large force of missionaries on indefinite furlough.

We now face further drastic curtailment and retrenchment unless the Convention can in some way provide more income for its Foreign Mission Board at once.

After the most careful and painstaking examination and study of the financial situation now confronting your Foreign Mission Board, it is our deliberate judgment that the Board will not receive more than five-sixths of the anticipated budget for

this year. The budget is \$605,000.00 and we estimate that the income will not be over \$500,000.00. To put it another way: our budget as set up is \$50,416.66 a month. We will possibly receive enough to carry on the work for ten months. What shall we do about it? The issue is drawn and we must face it. We speak soberly when we say that our backs are to the wall and we cannot retreat further without dire and crushing disaster to the very life and structure of our whole foreign mission enterprise. The Board must have from some source this year, an additional income of not less than \$100,000.00 for its current budget, or the budget must be reduced by that amount immediately.

The question arises at once as to what further reductions can be made, what steps can be taken now in mid-year to balance the budget?

First, some are saying that we should call home one-fourth of our missionary personnel. Suppose we call home these missionaries. Let it be remembered that it will cost an average of \$1,500 per family to bring them home, and we are under obligation to pay their salaries for one year after they reach the homeland, making a cash expenditure of some \$3,500 for every missionary family recalled. Thus it will be eighteen months at least, if missionaries should be recalled, before any reduction in the budget may be anticipated.

Others are saying that we should close mission stations, give up mission fields, and liquidate in some countries and come out altogether. The work on all mission fields for the first few years is very slow and difficult. It is a time of seed sowing and foundation building. On some of our older mission fields we have already grown and developed a fine, wholesome, self-reliant and self-perpetuating native constituency. On several fields we have many strong, aggressive, self-supporting native churches, together with a trained and efficient native ministry that brings joy to all our hearts. The process of growing and developing native churches to the point where they can stand alone, and assume the responsibility of evangelizing their own people, calls for years of slow and patient waiting and much expenditure in time and service and sacrifice. In our newer mission fields, to come out now, would be to sacrifice all that we have gained through the years, and would mean the sure and certain loss and disintegration of the very life and structure of our mission work in those lands. It would mean the death blow to many little, weak and struggling spiritual democracies and the desertion of our Baptist brethren and sisters who have but recently come to us out of the despair of heathenism and the futility of paganism. To adopt such a course is to acknowledge defeat and bring disaster sure and appalling upon our mission churches, while at the same time there will settle down upon our churches here in the homeland the blight of materialism and a spiritual inertia that will inevitably lead to stagnation and death.

The other suggestion that comes from many quarters for the balancing of our budget, is the reduction of the salaries of the workers at home and the missionaries abroad. Your Board is giving this phase of the matter careful and

serious consideration. We have been very reluctant to come to this because of the fact that after all has been said, the salaries of our missionaries are pitiably small and wholly inadequate for the maintenance of a worthy standard of living for their families and for the education of their children. It is almost impossible out of such meager salaries to lay up anything for old age or for the day when health is gone and forced retirement threatened. The Board has no plan for the pensioning of our missionaries, and no method for providing any allowances for old age or disability.

Then, too, on almost all of the mission fields the missionaries have voluntarily given up one-fourth of their salaries, for the employment of the native workers the Board was compelled to cut off. What shall we do about it? The issues involved are so momentous and far-reaching and the responsibility so crushing, the Board asks you to share this responsibility with them in a very definite and explicit way. We, therefore, ask for the mind and will of the Convention in these weighty and momentous issues.