

Lessons from the ATS Black Student Debt Research Project

By JO ANN DEASY

In 2019, The Association of Theological Schools (ATS) launched the Black Student Debt Research Project as part of Lilly Endowment's Theological School Initiative to Address the Economic Challenges Facing Future Ministers to learn more about why educational debt was disproportionately impacting our Black students and why theological schools were having such a hard time addressing this disparity. ATS worked with ten member schools to collect money autobiographies from 50 current Black students and recent graduates about their finances, their calls to ministry, and their experiences in graduate theological education.

A team of researchers, led by Dr. Velma Love, former associate professor of religion at Dickerson-Green Theological Seminary, analyzed the data and highlighted the key themes that were emerging from the research. The student participants were then invited to attend focus groups at each of their schools to explore the key themes and provide further insight. The results? A call for theological schools to recognize and examine how the racial wealth gap produces disparities in the financial resources available to Black students at every level—from personal finances to congregational and denominational support, from scholarship aid to salaries and income. And a recognition of this group of students' passion to pursue graduate theological education in order to serve their communities with little hope of a financial return on their investments. [A final report on the project](#) was just released in March 2021.



Photo courtesy of the Interdenominational Theological Center

Economic challenges facing Black students and clergy

The report itself provides some background to the issue of high educational debt among Black students in higher education as well as the economic challenges facing Black clergy. Racial disparities in family economic status in terms of education, income, and wealth are key determinants of educational debt. Black students are more likely to be financially independent at a young age, earn only 80% of what comparable White colleagues earn, and be the first in their families to attend college or graduate school. Long-term lack of investment in Black communities has created a racial wealth gap that has compounded over the last 400 years and education—one of the traditional strategies for gaining wealth—has become an economic burden for some rather than an asset.

Racial disparities and the racial wealth gap have contributed as well to lower salaries and to lack of benefits among Black clergy. A Pulpit & Pew study from 2003 found that Black clergy salaries were, on average, about

two-thirds of White clergy salaries; that Black clergy were less likely to receive retirement or health benefits; and that almost half of Black clergy were serving in bivocational settings.

"[Educational debt] is often added to a list of other crippling agents that make it hard to rise up. It is added to broken and underperforming public education, limited role models or positive images of self and a desperation that can sometimes cause otherwise good people to make bad decisions. The fact that poverty is generational also means that there aren't many parents who are able to protect their children from the weight of student debt." (student quote)

Stories from the lives of Black students

The Black students involved in this study came from a wide variety of backgrounds and experiences related to finances, ministry, and higher education. Most of them had plans to try and address their debt and gain financial stability. For many, that stability required them to work multiple jobs, serve as bivocational ministers, or start their own businesses. And it took a toll on their physical and mental health as well as their educational experiences. They spoke of panic attacks, depression, and being overwhelmed. They described the trauma associated with poverty and being under-resourced, a trauma that few people at their theological schools seemed to understand, and they asked theological schools to consider what it might mean to create policies and curricula that were more trauma informed.

Many of the students spoke of faith in God's provision as providing hope when overwhelmed by debt. As one student put it, "... throughout my life, I was not only taught that God provides, but God also did provide."

At times, that faith drove students towards action, but sometimes the phrase "God will provide" was a way to avoid action. Often, God's provision was connected directly to the students' calls to ministry. Debt was named as a way to accomplish God's plan or as necessary to follow God's path for their lives. There was a sense that ministry required financial sacrifice and that this sacrifice was pleasing to God if it had a purpose.

The call to sacrifice was particularly clear in the ways that students articulated their calls to ministry. Most of the students recognized that the congregations from where they came and the congregations where they planned to serve would not be able to support them financially. Several of them felt called to unpaid ministry to ensure that church funds were directed towards others.

"... My ultimate hope is to do congregational ministry for free because I believe that the cost 'to do' church in America is ridiculous, unsustainable, and out of touch with scripture. My wife and I hope to bring in enough money from our personal business and the other half of bivocational career to cover our expenses." (student quote)



Photo courtesy of Shaw University Divinity School

Several of the students shared the desire to be freed from the burden of debt to serve God more effectively.

"Yes, I think for me in terms of my personal experience with student debt, I will say it has, at times, caused me to force my focus to be on things that I wouldn't or don't necessarily want to be thinking about. I desire freedom to be thinking about ministry creatively in ways that I desire. I will confess that there have been times where my creative side, in terms of some of the things I'm sensing in my heart for ministry, has not been pursued to the extent that I've had to focus on just the

practicalities of dealing with my student debt. How do you creatively free yourself up from those burdens is what I'm constantly thinking of . . . " (student quote)

What can theological schools do?

The consensus among the participants was that Black students were at a historical disadvantage and are coming from churches and communities with limited resources. Several students commented on how few people truly understood their financial situations.

"It is virtually impossible for people who have always had money or the security of money to understand this situation. I could also talk about the need for mentors—people who could walk side-by-side with people of color to provide advice, someone from whom they could ask questions or seek advice." (student quote)

Drawing upon the recommendations of students and research on the impact of debt on Black students and Black clergy, the report suggested five areas of work that theological schools might consider to better address the financial challenges facing Black students:

1 Researching debt and compensation

We learned through the Economic Challenges Facing Future Ministers initiative (ECFFM) that many schools are not aware of the debt levels of their students. It was important for schools to make sure that faculty, administrators, staff, and boards were regularly informed about the educational debt levels of their students in order to make progress on lowering debt.

The Black Student Debt Research Project highlighted, however, that educational debt alone did not always provide an accurate picture of the financial ecology of their students. Schools need to understand the financial ecologies of those communities that send students to their institutions. They need to understand what types of financial safety nets surround their students. They need to research compensation for Black clergy within their denominations as well as the potential compensation of their Black graduates.



2 Examining financial aid and scholarship practices

Research has shown that Black students and students from other under-resourced communities need more help navigating financial and scholarship processes and policies. They need trusted advocates within the system who understand the contexts from where they come.

Many schools have scholarship practices that unintentionally favor White male students. It is important for theological schools to examine the distribution of their scholarships and determine if this represents their commitments and their student body. Scholarships have often focused on tuition for full-time students, but most Black students must continue working while in seminary to cover basic living expenses. Scholarships for students from under-resourced communities need to include living expenses, health insurance, and perhaps even retirement savings. Requiring students to contribute retirement savings to pay for theological school further exacerbates the racial wealth gap.

Within the ECFFM initiative, we often talked about limiting student borrowing or putting roadblocks up to slow the process. These processes may lower educational debt, but they can also limit access to students from

under-resourced communities. The practices of limiting access to loans needs to be paired with increasing access to financial resources for Black students.

3 *Providing robust financial planning resources*

The students who participated in this study noted the importance of financial planning resources not just for themselves, but for their communities and the congregations they will serve. Financial literacy programs were one of the most common practices among schools participating in the ECFFM initiative. Schools noted the importance of finding financial planning resources that matched the culture of the students, that did not perpetuate a “health and wealth” mentality, and that did not assume white middle-class financial norms such as readily available disposable income.

Many schools offered financial literacy programs as co-curricular activities. For students who are balancing school, family, and full-time work, it can be nearly impossible to participate in co-curricular activities. For schools that want to offer such resources, they must find ways to embed them in their existing curriculums. This could include embedding finances in courses on administration, spiritual well-being, theology and ethics, or contextual education.

4 *Designing a curriculum*

For theological schools interested in serving Black students, the development of curriculum must include considerations of helping to break cycles of generational poverty and skills that will best prepare students to serve in low-wealth communities. Theological schools must start with questions of the purpose and role of clergy, congregations, and Christian leaders in serving low-wealth communities, serving as agents of change, and prophetic voices against injustice and inequality. Such a rethinking of the curriculum might decenter the

long dominant core areas of bible, theology, and history and give more attention to areas of leadership, finance, administration, and community development. Learning goals might focus on rich theological reflection around issues such as poverty, injustice, and suffering that would equip students in two ways. Content and andragogies might need to be more trauma-informed.

The students in this research project also suggest a need to rethink both our educational and financial models. What does it mean to design a curriculum for students who will be working full-time while in theological school? How does one learn best when juggling multiple responsibilities? What types of assignments are most effective

for learning part-time? For those who are serving in ministry settings while in theological school, how can assignments be designed in ways that benefit the students and the communities they serve?

5 *Expanding the financial ecology*

In 2020, 40% of ATS graduates incurred

educational debt to pay for seminary, but 70% of Black graduates reported borrowing. The average amount borrowed by graduates was \$33,500, but it was more than \$9,500 higher for Black students. To truly address the issue of Black student debt, we need to change the financial ecology of Black students including their communities, churches, schools, denominations, and systems of philanthropy. This requires both technical and adaptive approaches on the part of theological schools. At a technical level, theological schools can strengthen the financial ecology of Black students by leveraging their own constituents and donor base to provide financial support, good paying jobs, and other resources such as mentors and entrepreneurial sponsorship.

Theological schools can also expand the financial ecology of Black students by shifting approaches to contextual



education in ways that strengthen both students and the congregations where they serve. Contextual education could be a partnership between congregations, students, and educators, mentors, or consultants in which both congregation and student commit to a set of learning outcomes with guidance from an outside expert.

The main goal is to ensure that neither a congregation nor a student suffer financially and to allow students to maintain continuity of relationship to their networks of support and the places where they serve.

Finally, how can theological schools leverage their networks in ways that bring together those with more resources to serve those with less wealth and resources due to systemic racism? This requires theological schools to critically reflect on their own practices of recruiting Black students and scholars, offering targeted degree programs, and creating centers for the study of the Black church. In what ways are these practices strengthening the broader financial ecology of the Black community?

In what ways are they diverting resources or competing with the very communities they are seeking to serve?

Concluding thoughts

ATS is very thankful to the schools, students, and researchers who made this project possible. The students have spoken with candor and sincerity and shared their personal money stories without hesitation. They have expressed gratitude for the opportunity to be a part of the conversation and they have called for follow-up action. However, effective action must consider the backstories of Black seminarians and the socioeconomic landscapes within which they operate.

What will be the outcome of this study? It is up to ATS and its members to listen and to act with diligence. There is much more work to do. ATS would welcome conversation with researchers and doctoral students who would like to dive deeper into this data or pursue additional research to help us develop more targeted strategies to strengthen the financial ecology of Black students.



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