



SOUTHERN CALIFORNIA CHAPTER

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MEMBERS FOR CHURCH ACCOUNTABILITY

Winter 2011 Newsletter

As you know in 2008 Members for Church Accountability (MCA) published the book, *Who Watches? Who Cares?* Complimentary copies were sent to the Chairpersons of the Departments of Religion and the Departments of Economics of every Seventh-day Adventist College and University in North America. It was believed by MCA that many of these departments would sponsor student classes in the examination of the financial misadventures depicted in the book. MCA has no evidence that formal student exposure to WWWC has taken place in Adventist institutions of higher education.

However, Andrews University faculty members, Leonard Gashugi and Ann Gibson, published their book review of WWWC in Andrews University Seminary Studies.

Book Reviews

Hackleman, Douglas. *Who Watches? Who Cares? Misadventures in Stewardship*.

Morrison, CO: Members for Church Accountability; 2008. 379 pp. Paper, \$25.00.

Andrews University Seminary Studies 48 (Spring 2010) p 130-134.

The book review in its entirety is posted on the MCA website, but the last paragraph follows:

“While there was some initial fear on the part of the reviewers that *Who Watches? Who Cares?* might be a personally motivated slander campaign that focused on church mistakes, that fear proved to be unfounded. The book is carefully researched and well footnoted, presenting the facts of the described cases with clarity and without undue commentary. This fact makes it sad to read, for one comes away with a clear understanding of the examples of serious mismanagement of church organizations and even fraudulent use of church funds by church leaders. Such knowledge is deeply disturbing, even though the author hoped that it might motivate the reader to help assure that these types of activities are never repeated. As stated on the back cover of the book, Members for Church Accountability believes that ‘the greatest need of the Seventh-day Adventist Church is for well-informed members to give liberally not only of their tithes and offerings, but of their very best judgment—as church board members, as constituency meeting delegates, as local and union

conference committee members and as institutional trustees.' Hackelman is careful to indicate that the purpose of the book is not to defame those who committed the described acts of financial negligence. However, in spite of this, the book does defame those whose acts are described. Because the named parties were not personally interviewed, there is no evidence provided that any of the players subsequently expressed remorse for their actions. The book would have been more complete if the main actors in the financial misadventures had offered their own interpretation of events and the lessons they learned. While the call for more lay involvement and better board oversight is necessary and a good beginning to effect change, an explanation of the situation from these leaders' own perspectives might also serve to prevent current and future generations of church leaders from falling into these financial errors again."

The charge that "the book does defame those whose acts are described" is challenged by MCA and Douglas Hackleman specically refutes that charge in a letter to the editor:

December 6, 2010

Dear AUSS Editor:

In the last paragraph of their review of Doug Hackleman's *Who Watches? Who Cares?* (*AU Seminary Studies* 48 [Spring 2010], pp. 130-134) Professors Gashugi and Gibson state, "The book is carefully researched and well footnoted, presenting the facts of the described cases with clarity and without undue commentary. . . . Hackelman[sic] is careful to indicate that the purpose of the book is not to defame those who committed the described acts of financial negligence." And then the reviewers proceed to defame the author:

"However, in spite of this, the book does defame those whose acts are described."

This is an outrageous and ironic charge, especially since the reviewers point out not a single instance in which the book presents a *false* statement about any one of the ecclesiastical scofflaws it discusses; especially since the reviewers' require their graduate students to take a course in business law; especially since one of the reviewers occupies an endowed chair for business ethics.

Furthermore, nowhere was the author "careful to indicate that the purpose of the book is not to defame those who committed the described acts of financial negligence." Nowhere does the author discuss defamation with readers in regard to the book's treatment of its subjects. Perhaps Gashugi and Gibson are embellishing on the publisher's preface in which George Grames wrote that the purpose of the book was not "to embarrass the church or its leaders" (xv). But, of course, it is the facts—not the author's explication of them—that should embarrass those who engaged in the various improprieties. It is an unfortunate failure of intellect that confuses well-earned embarrassment with defamation. Gashugi and Gibson seem to think that the author's working hypothesis for the seven stories of misadventure is that the hierarchical structure of the church was largely responsible for the loss of money and institutions.

In his evaluation of what went awry in these institutions, Hackelman[sic] argues that the Adventist Church is strongly hierarchical. He bases his hypothesis on quotes from former General Conference President Neal Wilson's testimony at the Pacific Press trials as

“proof” of this fact (xxi). Hackelman [sic] thus focuses on what top church administration should have done to stop these unfortunate financial decisions (*AUSS* p. 132).

This is simply not a case made anywhere in the book. Hackleman does allude in passing to the hierarchical structure of the church in the second paragraph of the introduction to the book (xxi), and on page 154, but clearly not for the purpose of arguing that the structure was even a contributing cause of the misadventures. And no one was quoted in the text to argue that the SDA Church is hierarchical in structure—*res ipsa loquitur*. The case that is made, both implicitly within the stories and explicitly in the epilogue, is that it was the lack of institutional transparency and the nature of the institutional boards their composition and size—that (assuming original sin) explains the failures of oversight that permitted so much unnecessary loss.

On page 95 in the Davenport chapter, and pages 225-226 of the Folkenberg story, the author took pains to explain the unfortunate bi-directional power of the union presidents and how in the Davenport case that power posed a difficulty (but not an insurmountable impediment) for the then General Conference vice president for North America and for the General Conference president. (The disproportionate power of union presidents actually has grown in this new millennium, as financial considerations reduced the size of the nominating committee at GC sessions, thereby enlarging the proportion of the nominating committee that the union presidents, as *ex officio* members of the nominating committee, represent.) But Hackleman documented the fact that when laymen who watched and cared made enough noise, the GC president and the VP for North America finally did what they could have done much earlier, and what the poorly comprised boards and executive committees of the various entities should have been doing by way of oversight all along.

It is a total misreading of even the Davenport chapter to suggest the author blamed any of what he wrote about on the hierarchical structure of the Seventh-day Adventist Church. Neal Wilson and Charles Bradford could have brought the Davenport investments issue to the General Conference Executive Committee any week of any year and acquired a vote that would have imposed a schedule of disengagement from Davenport that each involved entity would have had to follow or face any number of persuasive consequences.

Gashugi and Gibson provide additional bases for head scratching:

Because the named parties were not personally interviewed, there is no evidence provided that any of the players subsequently expressed remorse for their actions. The book would have been more complete if the main actors in the financial misadventures had offered their own interpretation of events and the lessons they learned.

No. There is no evidence provided of remorse, because, as the author wrote in the next to last paragraph of the book,

Not one person responsible for any part in these stories of administrative or fiduciary failure has come forward publicly to bewail his responsibility in the loss of money,

institutions or reputation; and to crusade for the kind of changes that would help him and others like him to perform their work for the church in a way that the traveling Landlord required of his servants. There seem to be no Chuck Colsons among us (374).
It is disappointing to have the faint praise the reviewers express for the book spoiled by their false charges and misunderstandings.

Douglas Hackleman

The Letter to the Editor of AUSS is also posted in its entirety on the MCA web site (www.advmca.org).

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