

Economic Initiatives in Christian Missions

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Introduction

As the story goes, Mother Theresa's benevolence approach was once challenged by a businessman, who asked: "Sister, don't you know the proverb: 'Give a man a fish, and you feed him for a day; teach a man to fish and you feed him for a lifetime?'" She responded, "Fine. I will give him a fish while you teach him to fish." The businessman's challenge reflects the well established belief that relief efforts will never be sufficient to extract people from the cycle of grinding that typifies the lives of many of the third-world's inhabitants. Mother Theresa challenged him to do what he could to remedy the problem.

Historically, Christian mission efforts in less-developed countries, particularly among the churches of Christ, have focused on the works of evangelism, religious education, and medical care. In recent years, however, various programs have been undertaken in both domestic and foreign Christian missions to consciously promote greater financial responsibility and economic self-sufficiency among existing and prospective Christians. A growing number of individuals and organizations are responding to a challenge similar to that of Mother Theresa to promote economic development as well as to meet pressing physical and spiritual needs.

This paper will explain the motivation behind economic initiatives and describe the basic forms these initiatives are taking. It will overview some of the scriptural, philosophical and practical considerations surrounding these initiatives and discuss concerns about them. Although the focus is on foreign missions, many aspects would apply to domestic mission efforts as well.

Economic Development Initiatives

The problem of third world poverty is complex. Explanations for chronic economic stagnation include unstable and corrupt governments, misguided economic policy, colonization by more powerful nations, exploitation by multinational corporations, harsh climates, wars, natural disasters, and native cultural values that discourage development.¹ The headline solutions typically call for changes in macroeconomic policy, treaties, debt forgiveness and other aid by first-world countries, and protectionist legislation. Advancements in judicial, political and economic systems are certainly needed to provide more stable and equitable conditions for pervasive progress to occur. In the meantime, in recent years numerous lives have been changed

for the better through economic initiatives undertaken at the micro level. The success of these programs is heralding a groundswell movement that holds genuine promise for improving lives, one family at a time.

Economic development initiatives are in one sense a natural outgrowth of more urgent relief efforts, relief efforts an emergency response and development efforts the preventive maintenance long-term remedy. The “give a man a fish versus teach a man to fish” proverb is well understood by those who have witnessed the realities of life in the third world. Although relief efforts are necessary to abate human suffering, they do not address the long-term needs of people to rise above subsistence, to be able to look to the future with optimism, to provide for themselves and assist others in need, and to determine their own futures.

The proliferation of Christian economic development organizations and programs, including those aimed at long-term economic development, testifies to a changing paradigm in mission work.² Economic development initiatives aimed at the third world typically fall into two categories, micro-enterprise development and micro-loan programs.³

Micro-enterprise Development

Micro-enterprise development is designed to foster the inception of new businesses and to provide advisory services for existing and new businesses, and specifically, very small (generally only one owner/employee) businesses. Just as there is a shortage of medical expertise in less developed countries there is a lack of experienced business people who might serve as examples, mentors, and consultants. Economic development missions would seek to fill this void. Christian organizations assist these people, as they come out of poverty, to adopt Christian principles of business management and personal financial responsibility.

Less-developed economies do not provide the employment opportunities available in the industrialized world. As was the case in the West before industrialization, most production takes place on a very small scale, usually in homes. The ordinary worker must therefore serve as his own business manager, and must be proficient in the various aspects of business operation to be successful. The task of the business resource center to educate and mentor is a critical one.

Like medical missions programs, enterprise development programs take various forms. A mission might establish a “business resource center” in a given town or city that would provide ongoing advisory services to new and existing businesses in marketing and distribution, general and production management, accounting, and finance. Some resource centers serve to help develop markets for goods and services, such as the establishment of a cooperative sales outlet or trading post. In this role, they assist producers in obtaining the best prices for their goods and advise producers on product improvement.

Another version, often used in connection with a local business resource center, assembles teams of experienced businesspeople from the home country to make site visits. These groups provide an infusion of fresh ideas and insights to the problems faced by local businesses and serve as mediators between the modern world outside and the local culture.

The center could also serve as an educational facility to train aspiring business owners in the basics of business ownership and management. There are many basic business concepts that are instilled in people who grow up in a modern capitalistic economy that are foreign to the thinking of those who have grown up in a controlled or poorly developed economy. Examples include:

1. the relationship between risk and reward;
2. the difference between the short-term and the long-term effects of a particular action;
3. economic notions such as those of opportunity cost, sunk cost, and incremental analysis;
4. the importance of planning for the future and of optimism about the future (the assumption of progress);
5. the value of competition; and
6. the relationship between quality, efficiency, and output.

Micro-loan programs

Often used in tandem with an enterprise development program, a loan program assists business enterprises in obtaining the financing for business start-up, stabilization, or expansion. Because of the lack of access to capital in less-developed economies, most micro-loan programs actually serve to provide financing.

There is a dearth of capital in the third world, and capital is critical to economic progress. Here we regard capital not just as money, but in terms of the investment in productive equipment that money and credit enable. When all people are living at a subsistence level, there is no excess to sell and no one with the surplus goods or money with which to buy. Surplus is the key to investment; investment allows increased productivity, which is the key to surplus and economic growth. Without surplus there is nothing available to invest, and yet without investment there can be no progress. In a modern economy, an individual with the requisite idea and background can obtain the capital necessary to exploit the idea. Capital markets are practically non-existent in primitive economies. An infusion of investment funds is therefore essential to economic progress in the third world.

In some cultures where funds might be available in general, they might not be available to minorities, including those who convert to Christianity. In certain Muslim and Hindu cultures, for example, converts to Christianity may be cut off from borrowing opportunities, from employment opportunities, and even from their families. Here the Christian “family” can come through with support.

Micro-loans are generally very simple and straightforward. For example, a carpenter may borrow \$250 to buy tools and raw materials with which to make furniture for sale, or a woman may borrow \$500 to buy sewing machines to increase the productivity of her seamstress business. Most micro-loans are for well under \$1,000 and have a term of less than one year. Some organizations charge interest while others charge a processing fee and others charge nothing. Reported repayment rates are well above 90%. The fact that the loans are repaid means that the money is made available to expand the service to others. These programs are therefore self-perpetuating.

As the saying goes, “It takes money to make money,” and it often takes money to obtain money. Poor people with little business experience obviously are very high credit risks. Due to the small size of each loan and the high cost of obtaining information on the borrower, micro-loans are of no commercial interest to conventional institutional lenders. In many cases, poor people in these circumstances simply cannot get credit at any interest rate. In cases where they can obtain loans, interest rates can be phenomenal. In the Philippines, for example, a common lending arrangement available to the very poor is the “5-6 rule.” Under this arrangement, a borrower receives five pesos in the morning and must pay back six pesos that evening. This amounts to an interest rate of 20% daily, or roughly 7,200% per year, an onerous arrangement in any culture.

Analysis of the Approach: Plaudits and Concerns

Teaching self-sufficiency

Emergency relief demands the open-handed generosity in the form of outright gifts. On the other hand, non-emergency development assistance should encourage self-sufficiency in recognition of real spiritual needs such as the need to provide for oneself and one’s family and the need to work, thereby to participate with God in caring for His Creation. Justification for the funds and accountability for their use is critical to teaching self-sufficiency and good business skills. One micro-loan program, for instance, requires that loan recipients tithe their profits. In this way, the individual is allowed to have the blessing of “giving back.” In addition, the intent is to wean the local church of foreign support and develop local church autonomy. When the initial reaction to need is to give without considering the situation, the result may be to enable or encourage behavior that perpetuates economic dependency. It may also be poor stewardship. One answer is a partnering of economic relief and economic development programs.

Some years ago, I read that the Jewish community observes a four-step approach to economic assistance. If someone is in need, the first-choice response is to provide that person with meaningful work. If such work cannot be found, then the person is to be given any work. If that is not possible, then a loan is made available. If the person has little prospect of repaying the loan, then an outright gift is made. This progression reflects some interesting insights into the complexity of human needs. It seeks to preserve the individual’s pride and sense of usefulness by viewing work as inherently valuable, even if the work itself is not so rewarding. The provision of a loan before a gift

helps preserve the individual's dignity while maintaining the lender's capital for productive purposes later on. The last resort is the gift. In contrast, the predominant Christian model of economic assistance is the immediate gift, which is deemed to be the clearest expression of God's love—unconditional, with no strings attached.

Identifying a Biblical Model

Unlike the practice of sharing within the Jerusalem church described in Acts 2 or the collection for the church in Jerusalem (e.g., I Corinthians 16), there are simply no models of economic development programs in scripture. Similarly, there are no models of medical mission efforts, but we understand how, teamed with an evangelistic focus, they fulfill the second-greatest commission to “love thy neighbor as thyself.”

An aspect of most biblical models of Christian economic assistance is the focus on distribution (or allocation) rather than production. It is the role of an economic system to allocate resources among producers and consumers in order to accomplish the goals of the society. A system of distribution that ignores its effect on production may end up producing more people in need, or at least people who appear to be in need. Even Christian relief ministries face the dilemma posed by the requirement to be good stewards of God's resources on one hand while observing Jesus' command to “give to whoever asks you” (Matt. 5:42) on the other.

The lack of a specific scriptural example of economic development programs is unsettling to our fellowship with its long-standing commitment to look to the Bible for guidance on methods of organization, worship and service. There is little explicit encouragement to wealth production in scripture and numerous warnings as to the dangers of wealth. There are numerous explicit and implied encouragements to industriousness and diligent work (e.g., the virtuous woman, the example of the ant, the parable of the talents), but none of these carries the weight of a “commission” to go and teach the gospel to unbelievers. In addition, business and moneylending suffer from a poor reputation. Some people will sincerely question whether the church ought to be engaged in the business of consulting and moneylending.

Interfacing Economic Mission and Evangelistic Mission

Christian mission efforts, particularly those conducted by the churches of Christ, have characteristically emphasized evangelistic efforts to the exclusion of social or economic programs. The reasons for this are several:

- (1) With limited resources including money, personnel, and time, efforts have focused on what is considered by evangelicals to be the foremost task of the Christian church—to seek and save the lost. Given limited resources, funds diverted to economic programs reduce funds available for more direct evangelistic efforts.
- (2) Related to this is the deeper question of whether Christians ought to be very concerned about physical welfare. Jesus' ministry did not seem to emphasize physical wellbeing, including economic hardship or political oppression. Instead, he encouraged followers to depend on God's loving care for their physical needs, and charged that the real problems in life are not physical but spiritual ones.
- (3) Third, given this background, the physical world will pass away while the soul is immortal. Why, then, should resources be expended on saving the body, which will

eventually die, when they could be used to save the eternal soul? As evidence of this perspective, many are likely aware of economic relief efforts (including church benevolence programs) that have been pitched on the basis of ultimate evangelistic potential. Others of us are aware of programs that have been justified or questioned on whether they produced evangelistic opportunities or conversions.

There are a number of potential problems that could result from offering business counseling or financing services, particularly in making grants or loans. First, how are the funds to be allocated? If loans are made available first or only to Christians, it would represent a strong, perverse incentive to convert. Assuming the lending process would involve an analysis of the borrower and the proposed investment, there would likely be some proposals that are rejected, resulting in hard feelings that might become obstacles to evangelistic efforts.

The intertwining of commercial and personal (and in this case, spiritual) relationships creates problems in our own society, where the nature of commercial relationships (e.g., borrower and lender, buyer and seller) is better understood. In regard to loans, we recognize that the typical borrower/lender relationship is characterized by some degree of conflict. That conflict could compromise the geniality of the relationship between missionaries and locals that could undermine the spiritual aims of the mission. Recognizing this danger, and wishing to focus on spiritual relationships rather than commercial ones, some organizations choose to provide grants rather than loans. Even so, assuming individuals must qualify for the grants, some will certainly fail to qualify and there will be disappointment.

Christianity or Capitalism?

Many Christians are uncomfortable with capitalism. They appreciate the benefits, but wonder at what cost these benefits are obtained. They are concerned about a system which, as they see it, is fueled by greed and which thrives by creating desires for products that people really don't need. A critique of capitalism is beyond the scope of this paper,⁴ but it is sufficient here to say that the thinking Christian cannot simply regard capitalism as "God's system," nor ignore its success in producing benefits. It is a system that responds to the desires of the market, and its results will reflect the sanctity or sinfulness of the market participants. Capitalism is, like each of us, in need of redemption. The challenges to advocating this controversial system are one aspect of the dilemma of accepting the task of economic as well as spiritual mission.

Aside from the specific concerns about capitalism, some Christians are concerned about exporting American consumerist culture and "defiling" native economic arrangements that are attractive in social terms yet not conducive to economic progress. How will the missionaries handle native customs or taboos that are socially beneficial in some respects but which may retard or prevent economic development? Two examples may be helpful. One African tribe follows the custom of drawing lots each year to determine which plot of tribal land each family will farm for their own purposes. The system is very fair since each family has an equal chance of obtaining the most productive land. However, this system fails to recognize that the system discourages

anyone from looking to the long-term good of the land. Why would a farmer let a plot lie fallow for a year or spend money to enrich that plot if the benefits were to go to whomever by chance farmed that land the following year? Another example comes from Hispanic culture, which places a high priority on the closeness and support of the family. An accompanying feature, however, is suspicion of those outside the family. The closeness of Hispanic family ties tends to work against the development of strong relationships in the larger community, including business relationships.⁵

Conclusion

Although not appreciated by many, free enterprise does not thrive in an environment of heavy-handed government intervention, trade protectionism, and low regard for work or private property rights, among other things. For extensive economic development to occur via free markets, stable political systems are necessary. However, even within difficult circumstances, economic mission initiatives are creating what one organization calls “islands of integrity.” In these areas, sound Christian-based business principles are being taught and implemented and families are being extracted from poverty one by one.

While there is no explicit scriptural example of economic missions, there are a number of principles that apply. My survey of various organizations’ websites revealed a heartening commitment to following biblical principles, to helping the native people out of love, and to respecting the native culture.

In justifying economic initiatives, the arguments most compelling to me come from the Golden Rule and the Protestant Reformation. The Golden Rule compels me to desire for others those things that I rightly desire for myself. That is, I personally desire the benefits of a thriving economy with its higher standard of living. I therefore wish them for others. Second, a holistic view of God’s reign as reflected in Reformation theology is that there is no realm of life outside God’s oversight. All of life is sacred, including commercial activities. As such, all activities should be conducted as if done in the service of God. A view of God’s work consistent with this realization does not allow stark lines between evangelistic efforts, economic relief efforts, and economic development efforts. They are all done to the glory of God in order to bring people to come to know Him and to serve him.

In a practical light, combining personal and commercial relationships, particularly through micro-loan programs, does propose hazards. Great care must be taken that evangelistic efforts are not undermined by hard feelings related to economic initiatives. One solution would be to have the economic programs administered by an organization separate from the mission, or to separate duties so that those making the grant or loan decisions are not the same as those doing the primary evangelistic work.

¹ Coverage of the various explanations is found in *The Third World: Opposing Viewpoints*, edited by Janelle Rohr, Greenhaven Press, 1989, and *Underdevelopment is a State of Mind: The Latin American Case* by Lawrence Harrison, Madison Books, 1985.

² An internet (Yahoo) search of the word combination “Christian + mission + economic + development” resulted in 16,138 web pages, evidence that there is a great deal of interest in this arena. A perusal of a number of these sites revealed that there is a great deal of activity as well.

³ Vocational training is another area of business missions. However, training for a specific vocation requires the availability of employment opportunities. In many areas of the third world, employment opportunities are not available or attractive. Therefore, the emphasis here, as in most development programs, is on training owners of small businesses.

⁴ For an excellent coverage of concerns about Capitalism and a Christian response, see *Poverty and Wealth* by Ronald H. Nash.

⁵ Despite the “dog-eat-dog” reputation of commercial relationships under capitalism, close consideration reveals that success in free markets requires a great deal of concern for the needs of customers, suppliers, employees, and so on, since all associations are voluntary.