

Challenges When Churches Partner with Microfinancing Institutions

Many churches and missionaries lack a holistic vision, believing that they are to care only for people's spiritual needs. In addition some churches and missionaries [who partner with microfinancing institutions, or MFIs] dislike the banking culture of MFIs, seeing loans, interest, repayment discipline, and business as somehow dirty, unspiritual, and unmerciful. Theological groundwork concerning the comprehensive nature of Christ's kingdom can address these matters. [Conversely], MFIs often lack a holistic vision, believing that poverty alleviation can be achieved just by making capital available. Moreover, MFIs are understandably leery of churches, whose cultures of charity and grace have often resulted in horrible loan repayment rates on the parts of church members.

When Helping Hurts, p. 196-197