



# 1K CHURCHES BIBLE STUDY

PARTICIPANT GUIDE

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# INTRODUCTION

Welcome to 1K Churches. You are part of a growing community of churches building economic relationships in their communities by making small loans to local small businesses. Criterion Institute has prepared these materials in collaboration with friends in churches across the country and invites your participation in this great adventure.

The purpose of this guide is to help you and a small group of participants study scripture and reflect together about how God is calling you and your church to act as economic beings. The sessions will introduce you to five different Investment Pathways for making your small loan to a small business in your community.

Other documents that complement this resource include: 1k Churches Facilitation Guide, 1K Churches Getting Started Guide, various 1K Churches Loan Implementation Guides, and collections of stories and prayers from participating congregations. These are available at the Criterion Institute website ([www.criterioninstitute.org](http://www.criterioninstitute.org)). Criterion Institute also publishes a monthly on-line newsletter which offers support for your journey and shares stories from other participating congregations. To subscribe, contact [info@criterioninstitute.org](mailto:info@criterioninstitute.org).

## OUTLINE OF THE SESSION

While there is plenty of room for local variation, each session generally repeats these core elements:

### OPENING AND CLOSING PRAYER

The prayers provided come from early participants in the program.

### DEEPENING THE COVENANT

Group discussion will be important. Guidelines are provided to help you build a safe space to have a conversation about money. At the end of each session, there is a question for the group to reflect on and an invitation to share reflections at the beginning of the next session.

### TEXT AND COMMENTARY

The Bible Study takes you on a journey through the Christian story, starting with Creation. As you explore these familiar passages of scripture, we hope you will be prompted to read them with new lenses and discover what these pillars of the Christian faith have to teach us about how we can live faithfully in our economic relationships.

**SESSION 1: CREATION.** Economy as a household of relationships set in motion at the birth of humanity

**SESSION 2: SIN & ALIENATION.** How the brokenness of our economic relationships can signify alienation from God and neighbor

**SESSION 3: SALVATION.** Embracing grace and releasing power in economic relationships

**SESSION 4: SANCTIFICATION.** The continual work toward justice in the economy

**SESSION 5: LIVING HOPE.** The hope and freedom to develop faith-filled economic relationships

## ECONOMIC REFLECTIONS

In each session, the transition from biblical reflection to a conversation about our economic lives and relationships begins with a discussion of the question, “What’s at Stake in Discovering God’s Economy?” Each session also introduces one of the five Investment Pathways supported by the 1K Churches initiative.

**SESSION 1: CREATION** Investment Pathway: Angel Investor

**SESSION 2: SIN & ALIENATION** Investment Pathway: Mission Partner (Pay It Forward)

**SESSION 3: SALVATION** Investment Pathway: Peer Lending Host

**SESSION 4: SANCTIFICATION** Investment Pathway: Justice Partner

**SESSION 5: LIVING HOPE** Investment Pathway: Public Witness

## ASSUMPTIONS THAT SHAPED THE DESIGN

This Bible Study is rooted in a decade of conversations about faith, economics, and finance among church people. That experience has shaped how we imagine the conversations will go as groups work through the Bible Study. Some of those assumptions are:

### 1. WE CAN CHANGE THE CURRENT SYSTEMS

We tend to describe our economic systems as though they are outside of our control and unchangeable. We talk about economic forces, upturns, and downturns as if they are naturally occurring phenomena. In fact, the rules of these systems are created by humans. And, since we made them up, we can make up something different. We started the Bible Study with Creation, because we wanted to create a space for openness and discovery. We wanted to spur imagination about what is possible rather than reinforce the belief “but that is how it works.”

Old Testament scholar Walter Brueggemann reminds us: “The prophet engages in future fantasy. The prophet does not ask if the vision can be implemented... The imagination must come before the implementation. Our culture is competent to implement almost anything and to imagine almost nothing... It is the vocation of the prophet to keep alive the ministry of imagination, to keep conjuring and proposing alternative futures.”

### 2. PEOPLE HAVE A GOOD BIT OF ANXIETY ABOUT MONEY

In the first session, we ask people to tell their family stories about money. This will surface a range of emotions and perspectives about debt, fairness, poverty, and many, many other things.

You will notice that in the Bible Study we use the language of economic relationships. We don’t have a relationship with money, not really. We have relationships with people that end up being shaped by the economic nature of those relationships. For that reason, we ground these reflections on economics and faith in a conversation about relationships. The focus on relationships helps us think our way out when we get trapped in our ideas and emotions about money.

### 3. CONVERSATIONS ABOUT ECONOMICS BECOME IDEOLOGICAL, QUICKLY

We all have strong opinions and complicated emotions about money and economics, formed from family history and reinforced by the church or a recent news article or our professional work or personal experience. Here are a few examples:

- This is the fault of the individuals who don’t try hard enough (or are greedy or are corrupt).

- This is all about the government's failure.
- This is only going to be fixed by ending capitalism (or ending communism).

Economics is an ideological minefield. The purpose of this Bible Study is to take people back to the scripture and use that to expand our imagination of how God is calling us to create economic relationships.

#### 4. SOME WILL NOT FEEL WELCOME AT A TABLE WHERE FINANCE AND INVESTING ARE DISCUSSED

There are many who are uncomfortable in conversations about finance and investing because they have been culturally excluded due to their gender, class, or race. And many of us have family history or ideological biases which keep us from entering the conversation with a trusting spirit.

Be aware of what is going on inside of you as a participant and be sensitive to others. Don't be surprised to find resistance in the room. Let people speak their own truth and allow for silence. It is important that those more confident about economic language and terms do not dominate the conversation and shut down others who have a different way of exploring the conversations or a different imagination.

#### 5. WE TEND TO FOCUS ON THE TRANSACTION OR IMPLEMENTATION IN OUR ECONOMIC CONVERSATIONS

We don't have a lot of practice in congregations incorporating conversations about theology and faith into exploration about our economic relationships. Quickly, we seek to make the economic conversation practical and tangible. The goal here is to continue to make ties between our theological imagination and our ability to imagine God's Economy in our own lives. It will take some discipline. The 1K Churches Implementation Guide will provide more detailed information about selecting local businesses and making the loan after the Bible Study is completed and you are ready to take those steps.

In closing, we want to thank you for stepping up and taking on this exciting new work. You or your group facilitator can always reach a criterion staff person with your questions or comments at [info@critterioninstitute.org](mailto:info@critterioninstitute.org). We welcome you to this conversation and hope that it helps as you seek to discover signs of God's Economy in your own lives and in the life of your community.

And, may the peace of God that passes all understanding keep your hearts and minds in the knowledge and love of God and His Son Jesus Christ.

# GROUP GUIDELINES

In small groups, we offer each other the gift of sacred listening. We sit in a circle and remember that the Holy Spirit is present at the center of our circle as our guide. Here are a few guidelines that can help these conversations be safe and meaningful.

- **Everything we do in small groups is by invitation.** Participate authentically, honestly at whatever level feels right. You do not have to talk. Sometimes people actively participate by listening.
- **Confidentiality.** Everything that is shared in small groups stays in small groups. It is fine to talk about whatever insights you had about yourself. Please do not share what others spoke about.
- **When we speak, each of us will tell our own truth – even if it feels hard, impolite, and/or challenging to ourselves or to others.** The key to telling the truth respectfully is to focus on our own responses/stories.
- **Use “I” statements.** This helps to keep the focus on ourselves, in telling our own truths.
- **No “Cross Talk”.** Allow each person to complete what they are saying before jumping in. When you speak, focus on what came up for you or your own insights.
- **Resist the urge to “fix, save, rescue, give advice, set each other straight.”** When others are speaking, we set aside the need to offer a brilliant response. We simply listen to the other person, trusting each person’s “inner teacher” to hear the wisdom he or she needs.
- **Silence is OK.** Silence provides an opportunity for us to reflect on what is being shared and to listen for what may be bubbling up from within.
- **Notice if you are talking a lot or not at all.** We want to make room for everyone in the group to have an opportunity to share their responses to the material. If you have already spoken, try turning your attention to listening. Conversely, if you have been focusing on listening, see if there is any response that you want to share.

# HOUSEHOLDS OF GOD'S ECONOMY

## SESSION 1: CREATION

### BIBLICAL REFLECTION: TEXT

Read Genesis 1:26-28.

*Then God said, 'Let us make humankind in our image, according to our likeness; and let them have dominion over the fish of the sea, and over the birds of the air, and over the cattle, and over all the wild animals of the earth, and over every creeping thing that creeps upon the earth.'*

*So God created humankind in his image,  
in the image of God he created them;  
male and female he created them.*

*God blessed them, and God said to them, 'Be fruitful and multiply, and fill the earth and subdue it; and have dominion over the fish of the sea and over the birds of the air and over every living thing that moves upon the earth.'*

– Genesis 1:26-28

### BIBLICAL REFLECTION: COMMENTARY

Humanity was created, male and female, in the image of God and assigned the task of caring for the creation, its resources, and the living things that inhabit it. To be made in the image of God means that humanity is endowed with the power and ability to take responsibility for all living creatures of the earth and their survival. In addition to the command to be fruitful and multiply, the first humans were expected to be collaborative and active and creative in their management of the earth.

The creation of the first 'household' of Adam and Eve is the beginning of God's Economy. This first 'household' was instructed to work together with all of creation to 'fill' the newly created earth. Humanity's mantle to 'have dominion' over the earth signals a structure of relationships committed to collaboration and interdependence as well as productivity and stewardship. In the second chapter of Genesis, the intimate connection between the human beings and creation is embodied in the assignment to name all the creatures of creation and "whatever the man called each living creature, that was its name." (Genesis 2:19b)

In the New Testament, the Greek word for house is *oikos*, from which we also get the words economy and ecumenical ("all in one house"). Theologian Sallie McFague has brought this image of 'household' from the Genesis story into our present experience in a creative way. "We need to learn 'home economics,' the basic rules of how our garden home can prosper — and what will destroy it. Most simply, these house rules are: Take only your share, clean up after yourself, and keep the house in good

repair for others.” The image of ‘home economics’ helps us imagine how we might reclaim our economy as a system of relationships in the image of God.

### INVESTMENT PATHWAY: “ANGEL” INVESTOR

As an “**Angel**” **Investor**, your group makes a direct investment in a business in your community at a point of opportunity, creating a reciprocal relationship of lending and repayment. There are many ways a loan can make a difference to a business. They may want to purchase a new piece of equipment or simply have the capital available in their checking account to build their credit and avoid bank charges. You can choose a person who you either know well or is recommended by a community or social ministry organization. You make the loan decision based on the person’s character and credibility rather than a simple credit score. The direct and intimate nature of this path allows for the joys and challenges of meaningful economic relationship-building to be experienced by both the congregation and the business owner.

**Sourcing of the Loan (how to find the business):** Work through a local community organization, such as the Chamber of Commerce or a community center, which can identify existing businesses for you to approach

**Due Diligence (how to evaluate the business):** Collect tax and bank information that verifies the viability of the business and its ability to manage the loan

**Interest Rate:** 5% or lower, amortized

**Collection Practices:** Congregation responsible for monitoring the loan and the repayment process

**Term of Loan:** One year, with extensions possible based on conversation with borrower

**Documentation Required:** Simple loan agreement (see Implementation Guide for samples). No personal guarantee by the business owner required

**Example:** *A congregation member, an experienced nanny who recently lost her job, needs stable income to help her stay on the path to citizenship. Anna has started a small daycare business but needs a \$500 loan for materials to help her market her services and get more clients.*

For more detailed information, including sample documentation, see the 1K Churches Implementation Guide.

## THOUGHTS ON INVESTMENT PATHWAYS

Jot down your reflections on each Investment Pathway. What are the challenges and the possibilities presented by each?

|                   |  |
|-------------------|--|
| ANGEL INVESTOR    |  |
| MISSION PARTNER   |  |
| PEER LENDING HOST |  |
| JUSTICE PARTNER   |  |
| PUBLIC WITNESS    |  |

# BIGGER THAN YOU THINK

The Economic Impact  
of Microbusiness  
In the United States

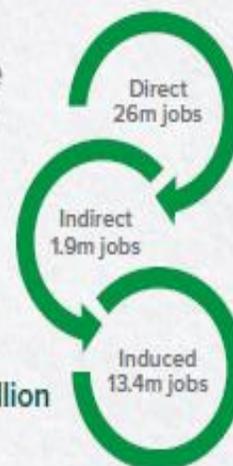
Microbusinesses  
represent

92%

of all U.S.  
businesses



The  
Ripple  
Effect



Microbusinesses are  
defined as enterprises  
with fewer than five  
employees, including  
the owner



**AEO** Association for  
Enterprise Opportunity  
THE VOICE OF MICROBUSINESS

# BIGGER THAN YOU THINK:

The Economic Impact of Microbusiness  
in the United States

*Ninety-two percent  
of all U.S. businesses  
are microbusinesses.*

## Executive Summary

How great of an impact does microbusiness have on our new economy? A lot greater than many previously thought. As summarized in AEO's new report, *Bigger than You Think: The Economic Impact of Microbusiness in the United States*, microbusinesses are an increasingly feasible and attractive option to those for whom a precarious economy and mercurial labor market no longer serve. Beyond affording their owners freedom and flexibility to forge paths to job stability and self-sufficiency, these enterprises also wield an inherently boundless power to resuscitate America's employment and economic health.

In fact, data from AEO's earlier report, *The Power of One in Three: Creating Opportunities for All Americans to Bounce Back*, showed that "If one in three Main Street microbusinesses hired a single employee, the United States would be at full employment." This statement has taken the nation by storm, yet many did not fully recognize the transformative nature of U.S. microbusiness. AEO's current research details the potential of microbusiness by examining the characteristics of microbusiness types and exploring the ways in which microbusinesses can take advantage of non-standard work arrangements and recent technological advances.

As the U.S. economy evolves, microbusinesses are well-poised to capitalize on that evolution in our labor market and broader economy. While individually small in scale, as a whole, microbusinesses play a significant role. Ninety-two percent of all U.S. businesses are microbusinesses, and in 2011, the direct, indirect, and induced effects of microbusinesses on employment amounted to 41.3 million jobs, or 31 percent of all private sector employment. Direct sales and receipts and indirect and induced economic output of microbusinesses combined to result in an almost \$5 trillion economic impact. Correspondingly, microbusinesses contributed \$135.5 billion in tax and fee revenues to federal, state, and local governments.

Microbusinesses, defined as enterprises with fewer than five employees, including the owner, are the small businesses on Main Streets and cross streets all over this country and they cover the full gamut of economic activity. From the local dry cleaner to the online financial consultant or the contractor inspecting water pipes, microbusiness activity is everywhere.

# BIGGER THAN YOU THINK:

The Economic Impact of Microbusiness  
in the United States

*Ninety-two percent  
of all U.S. businesses  
are microbusinesses.*

## Executive Summary

To better understand these 25.5 million businesses, AEO developed a typology to separate microbusiness owners into five categories, based on common business characteristics.

From newcomers, with no previous business experience and less than four years in operation, to full-timers with \$50,000+ in sales and receipts, microbusiness owners are committed to succeeding in business. The biggest group of microbusinesses includes owners who work full time, with less than \$50,000 in sales and receipts. These owners account for more than 30 percent of microbusinesses. The next largest type is full time, \$50,000+ in sales and receipts (28.6 percent) and part time, not primary income (25.8 percent). Another 10.9 percent of microbusiness owners were categorized as part timers whose microbusiness provided their primary source of income.

The characteristics of the newcomer type (younger median age, more likely to be women and people of color) reflect what we know about microbusiness: it can be an especially significant economic activity for those demographic groups that have not always shared fully in economic good times and have suffered most during times of recession and sluggish economies.

In today's economy, starting a microbusiness is often a necessary and increasingly viable option because of relatively low barriers to entry. For example, a college degree is not required, most business owners who utilize start-up capital, finance their businesses with personal savings, and all ages are represented in microbusiness, with a median age of 50+ for owners. Furthermore, median microbusiness wages are greater than – often double – the minimum wage level. Many microbusinesses do not offer traditional employee benefits such as paid holidays and retirement plans. However, non-quantifiable benefits, such as flexible hours, convenient locations, and alternative work options (such as telecommuting) may be quite advantageous to some owners and employees.

By their very nature, microbusinesses are flexible and resilient; moreover, microbusinesses create a variety of positive social impacts by providing income, wealth and upward mobility across racial, ethnic, and gender lines. Strategies to promote the expansion of successful microbusinesses can create greater equality and economic inclusion while seeding new businesses and jobs. Historically regarded as too small to count, microbusinesses are bigger than once thought of – and too important to ignore.

# OUR ECONOMIC INTERDEPENDENCE

## SESSION 2: SIN & ALIENATION

### BIBLICAL REFLECTION: TEXT

Read Matthew 4:1-11.

*1 Then Jesus was led up by the Spirit into the wilderness to be tempted by the devil. 2 He fasted forty days and forty nights, and afterwards he was famished. 3 The tempter came and said to him, 'If you are the Son of God, command these stones to become loaves of bread.' 4 But he answered, 'It is written, "One does not live by bread alone, but by every word that comes from the mouth of God."' 5 Then the devil took him to the holy city and placed him on the pinnacle of the temple, 6 saying to him, 'If you are the Son of God, throw yourself down; for it is written, "He will command his angels concerning you," and "On their hands they will bear you up, so that you will not dash your foot against a stone."' 7 Jesus said to him, 'Again it is written, "Do not put the Lord your God to the test."' 8 Again, the devil took him to a very high mountain and showed him all the kingdoms of the world and their splendor; 9 and he said to him, 'All these I will give you, if you will fall down and worship me.' 10 Jesus said to him, 'Away with you, Satan! for it is written, "Worship the Lord your God, and serve only him."' 11 Then the devil left him, and suddenly angels came and waited on him.*

– Matthew 4:1-11

### BIBLICAL REFLECTION: COMMENTARY

In each of the three temptations, Jesus was challenged to use the enormous power and agency he had for purposes outside of God's will. Similarly, when we are inclined to act against the purposes of God and creation, we may be tempted in three distinct ways:

1. **Individualism:** Jesus was tempted to use his power to meet his own narrowly defined physical needs and comfort by making bread out of stones. When satisfying our personal needs or thinking only about ourselves becomes the defining criterion for making economic choices and other decisions, we ignore human connectedness and interdependence at our peril.
2. **Irresponsibility:** Jesus was tempted to test God by acting irresponsibly. Being dependent on God for life and wellbeing should not be an excuse for taking unnecessary risks. The promise that 'God will provide' what we need should not be the occasion for imprudent action. Being faithful 'household managers' of God's creation requires careful stewardship of resources and creative investing in one another.

3. **Idolatry:** Jesus was tempted to disregard God and worship Satan in order to increase his power and wealth. It is easy to be seduced into believing that more is always better and the accumulation of wealth will keep us safe. Money becomes its own idol when we expect that it is the answer to every human need and longing.

Human life is limited, finite, and interdependent. We risk alienation from God and from one another whenever we disregard the reality of human interdependence or think that everything is possible. The fear of scarcity or that we will not have enough often prompts us to act in ways that alienate us from one another and so separate us from God. In one sense, our greatest sin is our unwillingness to acknowledge our interdependence and live with the limits of being human. There is an African proverb that describes human interdependence simply: I am well if you are well.

### **INVESTMENT PATHWAY: MISSION PARTNER (Pay It Forward)**

In this model businesses repay the loan through donated goods and services to their community. As a mission partner, you collaborate with a business in your community to accomplish an important mission concern. This collaborative model not only provides investment into a business but encourages businesses to invest in their communities. This path also integrates mission more clearly by directly determining who is ultimately being impacted by the church's investment. It is a great opportunity to multiply the effect of funds that already may be designated for charity.

**Sourcing of the Loan (how to find the business):** Work through a local community organization, such as the Chamber of Commerce or a community center, which can identify existing businesses for you to approach

**Due Diligence (how to evaluate the business):** Collect tax and bank information that verifies the viability of the business and its ability to manage the loan. Background checks or references from recent employers also recommended.

**Interest Rate:** Repaid through donated goods and services equal to double the value of the loan

**Collection Practices:** Congregation is responsible for monitoring the loan and the repayment process

**Term of Loan:** One year, with extensions possible based on conversation with borrower

**Documentation Required:** Simple loan agreement (see Implementation Guide for samples). The business is expected to document the donated goods and services

**Example:** *A church concerned about children's health lends \$2,000 to a young neighborhood dentist who needs new exam chairs. The dentist repays the loan by giving 80 free cleanings for children from low-income households over the next 12 months.*

For more detailed information, including sample documentation, see the *1K Churches Implementation Guide*.

# LIVING ABUNDANCE

## SESSION 3: SALVATION

### BIBLICAL REFLECTION: TEXT

Read the following scripture passages.

*17 So if anyone is in Christ, there is a new creation: everything old has passed away; see, everything has become new! 18 All this is from God, who reconciled us to himself through Christ, and has given us the ministry of reconciliation; 19 that is, in Christ God was reconciling the world to himself, not counting their trespasses against them, and entrusting the message of reconciliation to us.*

– Corinthians 5:17-19

*1 For the kingdom of heaven is like a landowner who went out early in the morning to hire laborers for his vineyard. 2 After agreeing with the laborers for the usual daily wage, he sent them into his vineyard. 3 When he went out about nine o'clock, he saw others standing idle in the marketplace; 4 and he said to them, 'You also go into the vineyard, and I will pay you whatever is right,' So they went. 5 When he went out again about noon and at three o'clock, he did the same. 6 And about five o'clock he went out and found others standing around; and he said to them, 'Why are you standing here idle all day?' They said to him, 'Because no one has hired us.' 7 He said to them, 'You also go into the vineyard.' 8 When evening came, the owner of the vineyard said to the manager, 'Call the laborers and give them their pay, beginning with the last and then going to the first.' 9 When those hired about five o'clock came, each of them received the usual daily wage. 10 Now when the first came, they thought they would receive more, but each of them also received the usual daily wage. 11 And when they received it, they grumbled against the landowner, 12 saying, 'These last worked only one hour, and you have made them equal to us who have borne the burden of the day and the scorching heat.' 13 But he replied to one of them: 'Friend, I am doing you no wrong; did you not agree with me for the usual daily wage? 14 Take what belongs to you and go; I choose to give to this last the same as I gave to you. 15 Am I not allowed to do what I choose with that belongs to me? Or are you envious because I am generous? 16 So the last will be first, and the first will be last.*

– Matthew 20:1-13

## BIBLICAL REFLECTION: COMMENTARY

Salvation comes in many forms, as forgiveness, reconciliation, wholeness, abundance, restoration, liberation, life without end. The reading from Corinthians uses the language of reconciliation with God, through the forgiveness of sin, which was accomplished in Jesus's life, death, and resurrection. The Parable of the Laborers in the vineyard offers an image of the Kingdom of Heaven in which the world transformed to work by God's rules of abundance. The Old and New Testaments of the Bible are full of stories that expand our vision of salvation and the good that God has in store for us. Both readings emphasize the essential nature of salvation as a gift from God. *All this is from God.* Salvation is not something that we earn or deserve. It is God's free gift of grace. It comes to us in spite of our imperfections and failures, regardless of how late in the day it was when we were hired to work in the vineyard.

While salvation is a gift, it does not make us passive recipients. Salvation is experienced through faith as the freedom to live fully as redeemed and beloved children of God. When we receive God's gift of reconciliation, we are set free from the debilitating power of sin, shame, guilt, and fear. In the language of 2 Corinthians, *there is a whole new creation.* We are empowered to become ministers of reconciliation ourselves, regarding our neighbors with the same generosity and love that we have received from God. The story of the Laborers in the Vineyard challenges us to remember that we have all received from God's hand far more than we deserve. Having received such mercy, we can move from a place of scarcity where we feel perpetually shortchanged into a place of mercy and generosity ourselves. We become partners and co-workers with God with power and agency and responsibility.

## INVESTMENT PATHWAY: PEER LENDING HOST

As a peer lending host, your congregation or group selects a set of microbusinesses, and hosts them as they participate in a cohort of fellowship and support. This cohort will have access to a pool of funds, and the participating businesses choose who among their peers will get a loan from the pool. When the loan is paid back, the funds are made available to lend again among the cohort of businesses. This path shifts power from the church to a group of peers, who hold each other accountable and choose where the loan goes each time around.

**Sourcing of the Loan (how to find the business):** Work through a local community organization, such as the Chamber of Commerce or a community center, which can identify existing businesses for you to approach

**Due Diligence (how to evaluate the business):** Collect tax and bank information that verifies the viability of the business and its ability to manage the loan. Background checks or references from recent employers also recommended.

**Interest Rate:** Less than 5% interest.

**Collection Practices:** Congregation responsible for monitoring the loan although the small group should be responsible for encouraging repayment

**Term of Loan:** One year, with extensions possible

**Documentation Required:** Simple loan agreement (see Implementation Guide for samples).

**Example:** *A church in a community with high unemployment gathers a group of 10 entrepreneurs who, as part of their recruitment and agreement to join the cohort, are poised and enabled to hire at least one person in their business within the next year. They group decides who among them will be the first borrow the \$1,500 that the church has invested in the group.*

For more detailed information, including sample documentation see the *1K Churches Implementation Guide*.

# THE POWER OF GRACE

## SESSION 4: SANCTIFICATION

### BIBLICAL REFLECTION: TEXT

Read the following scripture passages:

*1 I appeal to you therefore, brothers and sisters, by the mercies of God, to present your bodies as a living sacrifice, holy and acceptable to God, which is your spiritual worship. 2 Do not be conformed to this world, but be transformed by the renewing of your minds, so that you may discern what is the will of God – what is good and acceptable and perfect.*

*Do not be overcome by evil, but overcome evil with good.*

– Romans 12: 1-2; 21

*He has told you, O mortal, what is good; and what does the Lord require of you but to do justice, and to love kindness, and to walk humbly with your God?*

– Micah 6:8

*But let justice roll down like waters, and righteousness like an ever flowing stream.*

– Amos 5:24

### BIBLICAL REFLECTION: COMMENTARY

In previous sessions we have focused on 1) the goodness of God's Economy established in creation; 2) human alienation from God and the disruption of God's intended order rooted in the myth of scarcity; and 3) God's action in Christ to reconcile the world to himself and set us free from sin. Now, what do we do with that incredible gift? What comes next? How do we live out the freedom and power that is ours through salvation?

The whole of the Christian life is lived out in faithful, joyous response to God's gifts of Creation and Salvation. The passage from Romans is a window into the mysterious way in which forgiven sinners grow in their faith and in their alignment with God's will. The road is often rocky with many slips and backsliding along the way. It is no secret that Christians are not perfect. Much harm has been done in the name of the Church. We have no clear claim to moral superiority. Good people outside the church have much to teach us about integrity, peace, and care of creation. But as Christians we believe that the Holy Spirit is at work in us, helping us become the people we long to be: more just, more compassionate, and more faithful in our stewardship of God's abundant gifts.

*“I believe that by my own understanding or strength I cannot believe in Jesus Christ my Lord or come to him, but instead the Holy Spirit has called me through the Gospel, enlightened me with his gifts, made me holy and kept me in the true faith, just as he calls, gathers, enlightens, and makes holy the whole Christian church and keeps it with Jesus Christ in the one common true faith.”*

Martin Luther’s Small Catechism  
Explanation of the Third Article of the Apostles Creed

Sanctification comes from the Latin word for “holy.” This process of becoming more holy is often understood in purely personal or spiritual terms. It has connotations of withdrawing from the world, denying the pleasures of ordinary life, giving oneself completely to prayer and contemplation. These disciplines have their place, but they are much too limited. Holiness infuses every aspect of our lives from our most intimate relationships, to our everyday work, to our participation in the wider society.

The cry of the prophet Micah demands a much more active and engaged kind of holiness. Micah has no use for ritual sacrifices to appease God, as long as the powerful engage in dishonest business practices and continue to exploit the poor. He asks the fundamental question: What does God really require of us? What does it mean to be good? To be holy? What finally is pleasing to God? For Micah the answer is clear and uncompromising:

- Do justice -- In economic terms this means not only being fair and honest in your dealings with people, but also fighting economic oppression in every form, and working toward systems in which everyone – and indeed the whole creation – can flourish.
- Love kindness -- Our love of kindness should be evident in the way we do business, the quality of the partnerships we form, and in the ultimate purpose of the business we do. Our economic relationships must leave room for compassion.
- Walk humbly with your God -- This kind of walking with God means letting go of the need to control and dominate and make ourselves into gods, instead following obediently in the way of Jesus.

### INVESTMENT PATHWAY: JUSTICE PARTNER

A church invests through a financial intermediary (community development finance institution, credit union, or microloan fund). The church chooses a partner organization that it feels meets important standards of fairness and justice in its lending and operating practices. The church’s investment is then used by the partner to administer loans to micro-businesses in the area. Operating through intermediation is a relatively risk-free way to make investments with a sure expectation of repayment and return.

**Sourcing of the Loan (how to find the business):** Intermediary (bank or credit union or community finance development institution (CDFI)) selects business based on their criteria

**Due Diligence (how to evaluate the business):** Intermediary conducts due diligence based on their processes

**Interest Rate:** Set by intermediary

**Collection Practices:** Intermediary responsible

**Term of Loan:** The term of the investment from the congregation will vary but could be very short (liquid) or longer term (illiquid)

**Documentation Required:** None. Although in the process of understanding how the partner contributes to justice in the community, you may want to look at their documentation

**Example:** *A church near a blighted section of town decides to partner with a local credit union. As a result of the conversations with local churches, the credit union is encouraged to expand the services offered to micro businesses in the area. For more detailed information, including sample documentation, see the 1K Churches Implementation Guide,*

# BOLD ECONOMIC VISIONS

## SESSION 5: LIVING HOPE

### BIBLICAL REFLECTION: TEXT

Read Isaiah 55:1-3.

*1 Ho, everyone who thirsts,  
come to the waters;  
and you that have no money,  
come, buy and eat!  
Come, buy wine and milk without money and without price.  
2 Why do you spend your money for that which is not bread, and your labor for that which does not satisfy? Listen carefully to me, and eat what is good, and delight yourselves in rich food. 3 Incline your ear, and come to me; listen, so that you may live.*

– Isaiah 55:1-3

### BIBLICAL REFLECTION: COMMENTARY

This invitation to a feast is an extraordinary picture of God’s future. Thirst-quenching waters, flowing wine, sweet milk, and rich food are all free, offered without price, without cost. We can almost imagine God here as a vendor, crying out in the market about this rich fare being sold, but without a price. This is certainly a different type of transaction, signaling an alternative economy, one characterized by pure grace, joy, and life. This eschatological vision of God’s future makes present hoping possible.

Scholars say these prophecies were addressed to an Israelite in Babylonian captivity, in exile during the sixth century BCE, and under the ominous threat of Persian rule with the rise of King Cyrus. It was a time of uncertainty filled with economic and social oppression. And the future looked as bleak as the present.

Israel was being conquered by other prosperous nations who worshipped all kinds of gods, followed different laws, lived by different ethics, and all the Israelites could probably see was struggle. They struggled to feed their families and pay onerous taxes, and to follow the laws of Moses in the face of foreigners who mocked them. Against this struggle they were called to still believe that God was the gracious Sovereign of the world, the prophet Isaiah imagines a free feast of rich food and wine for everyone.

We long for the opportunity to “buy without money and without cost.” This vision of God’s future is all gift. In her version of “He’s Got the Whole World in His Hands,” Mahalia Jackson adds a poignant verse. She sings: “If religion was a thing money could buy / The whole wide world in His hand / The rich would live and the poor would die / The whole wide world in His hand.” We can’t buy the promises of God. We

can be grateful for the grace of God that allows us to freely partake and share with others in the abundant life of God's alternative economy.

Hope is rooted in reality. It is rooted in "what is," not in avoidance. Real hope provides the courage to face whatever chaos and trauma life throws at us. Hope does not try to avoid the pain of finite existence, nor is it naïve about suffering. Hope not only faces reality; hope imagines possibilities. Hope dreams dreams, is adaptable, and is not afraid to risk. When we are willing to cast ourselves deep into the dependable faithfulness of God, we will discover the buoyancy of hope.

### INVESTMENT PATHWAY: PUBLIC WITNESS

A church becomes a trustee for an entrepreneur who may not be seen as worth the risk by traditional funding systems. Using the online platform of Kiva, the church publicly provides a loan for the business and encourages others in the community to do the same in small dollar amounts. The congregation chooses a person whom they either know well or who is recommended by a community or social ministry organization. The congregation makes the decision based on the person's character rather than a credit score. This path is all about revaluing the worth of a person and redefining who we see as risky or safe.

**Sourcing of the Loan (how to find the business):** Work through a local social ministry organization, potentially, to find at risk individuals.

**Due Diligence (how to evaluate the business):** Kiva conducts the formal due diligence.

**Interest Rate:** 0%

**Collection Practices:** Kiva is responsible for collections, although the on-going conversation with the congregation (trustee) on-line is critical to the support of the business owner

**Term of Loan:** Two years

**Documentation Required:** Provided by Kiva

**Example:** *Dan, an active church member with a felony record, has started his own catering business, but because of his spotty employment history, he is unable to get a business loan. Dan's congregation becomes a trustee for him on Kiva's website and lends the first \$500 toward the \$3,000 he needs for equipment, using the platform so that members of the local and online communities can join in and lend the rest.*

For more detailed information, including sample documentation, see the *1K Churches Implementation Guide*.

### 1 Cultivation of Community through 'Conversations'

For the first time ever on Kiva, the Kiva Zip model enables lenders and borrowers to communicate directly with each other on our website. Support networks are fundamental to small businesses' success, but so often lacked by the borrowers that Kiva strives to serve. With Kiva Zip, we are connecting our borrowers with hundreds of lenders, who are becoming brand ambassadors and customers, dispensing business advice, or simply sending messages of encouragement and support to the borrowers they are funding with their \$25 loans.

### 2 Radical Expansion of Access to Capital

Because Kiva Zip loans are sent directly to the borrower, the model enables Kiva to partner with a vast number of community organizations and committed citizens, that have relationships with small business owners, but don't have the capacity or desire to administer loans themselves. There are literally millions of these 'Trustees' throughout America, and their work in remote regions and with excluded populations enables Kiva to significantly improve financial access for small business owners who would otherwise be excluded by the limited reach of conventional capital.

### 3 Development and Leveraging of Trust Networks

Over time, successful Zip borrowers are themselves becoming Trustees, 'endorsing' other aspiring entrepreneurs in their own communities. As these trust networks begin to virally spread, the reach of Kiva Zip's 0% interest, crowd-funded capital into previously untapped markets will be extended further and further. Robust repayment rates will be maintained, as credit scores and cashflow statements are supplemented by the character assessment and deep, long-standing relationships that permeate these trust networks.

- We have now posted over **200 US loans** to the Zip website
- ...Working with over **120 trustees** in 35 states
- Around half of those loans have been to businesses within their first year of operation; and about a third have been to **startups**
- So far we have a strong **repayment rate**
- Perhaps most exciting are the **connections and community** that we are building between our borrowers and our lenders

## What's in it for borrowers?

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Ability to access capital

Zero interest or fees

Easy, online application

Flexible loan terms

Building community

But don't take our word for it. Hear what Kiva Zip borrowers have to say:

"Kiva Zip is an invaluable resource for entrepreneurs", Emiliana

"I didn't think character based lending existed anymore. It's an amazing use of technology to bring us back to the basics", Cristian

"Having 45 people invest in Pac Brew Labs is like hiring 45 brand ambassadors", Bryan

## What is a Trustee?

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There are approximately 400 microbusiness lending programs in the U.S. but there are **millions of community-based organizations** with deep ties in their communities.

Through Kiva Zip, these groups **do not have to create their own loan programs**. Instead, they can become Trustees and bring borrowers onto Zip.

It is the responsibility of trustees to:

- Find eligible borrowers for a Kiva Zip loan
- Publicly endorse them on the Kiva Zip website
- And provide ongoing support throughout the loan term

Trustees have no money at risk if a borrower they endorse does not repay, but their reputation is tied to borrowers' performance.

## What the loans look like

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- 0% interest
- Business loans
- Small size – first loan can be up to \$5k; subsequent loans up to \$50k
- Up to 24 months term
- Grace periods available for some loans
- Repayments made in regular weekly or monthly installments
- Disbursements and repayments made electronically via PayPal
- Posted and 'crowd-funded' online

A loan of \$5,000 helps me to pay for a marketing package that could increase sales by 15%

14% raised, \$4,325 to go

\$25.00 Lend Now

Disbursement Type PayPal

Interest Rate 0%

Repayment Term 12 months

Currency Exchange Loss N/A

## Borrower Assessment

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Borrower selection is the most significant role that trustees play in their relationship with Kiva Zip, and there are several criteria that borrowers must meet, in order to qualify for a loan:

### Assessment

*Kiva Zip leaves it up to trustees to make a judgment call in these areas*

- Do you deeply trust that they are the kind of person who will commit to repaying their loan?
- Do they have a viable business or business plan?
- Do you know what they will use the loan for and how it will impact their business?
- Will this loan have a positive social impact?
- Do they meet the minimum criteria for a Kiva Zip loan?

### Minimum requirements

*Must be met unless there are exceptional circumstances*

- The borrower's debt: income ratio must be less than 35%
- The borrower cannot have past-due debt
- The borrower cannot currently be in foreclosure or bankruptcy
- The borrower's annual income must be less than \$100,000
- The borrower must be over 16
- The borrower must have a PayPal Account

# ACKNOWLEDGEMENTS

1K Churches has been a work of co-creation. A number of people have walked alongside Criterion Institute throughout the process of imagining and bringing 1K Churches to life. We are deeply grateful to be part of a significant body of people imagining God's economy.

Rev. Dan Senter, Pete Baumhefner, and Ross Baird were the early leaders who allowed us to learn with them while they implemented similar programs in their congregations. We want to thank all those who attended Convergence in 2012 and the dozens who attended other design sessions over the last year. Each contributed to the shape and content of this work, particularly Michelle Morgan, Doug Murrell, and Rose Feerick.

We want to thank everyone who piloted an earlier version of this bible study in the fall of 2013.

We are enormously grateful for the role that early regional leaders have played –Rev. Julie Wakalee-Lynch in San Francisco, Jim Kucher in Baltimore, Rev. Dr. Ruy Costa and Mary Beth Mills-Curran in Boston. We learned from you what champions need to be effective in this work.

We want to thank Beth Ritchey for her early leadership in this effort and, particularly, to thank Marissa Mahoney, who led this effort for a critical 9 months and was instrumental in developing this Bible Study.

Rev. Dr. Matthew Boulton, was instrumental in developing the overall framework that provides structure for this Bible Study. The experience of teaching "Discovering God's Economy with you at Christian Theological Seminary has informed, and will continue to inform, this work.

Rev. Dr. Herbert Anderson and Rev. Dr. Phyllis Anderson did amazing work drafting the theological commentary within this bible study. They deepened the theological insights and did the primary editing on this study guide.

Finally, we want to thank all of our donors who made this work possible.

A handwritten signature in black ink, appearing to read "Joy Anderson". The signature is stylized with a large, sweeping initial "J" and "A".

Joy Anderson  
Founder and President, Criterion Institute

# CONNECTING TO CRITERION INSTITUTE

May God walk with you as you explore these questions within your community and your congregation.

Contact us to request the following additional resources:

- 1k Churches Getting Started Guide
- 1K Churches Implementation Guides for each investment pathway
- 1K Churches Prayer Book

Please reach out to Phyllis Anderson with your questions, comments, and ideas! And most importantly, please contact us to tell us your stories.

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