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## **Acting in Good Faith: An Economic Approach to Religious Organizations as Advocacy Groups**

Anthony J. Gill

Steven J. Pfaff

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### 3 Acting in good faith: an economic approach to religious organizations as advocacy groups

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*Anthony J. Gill and Steven J. Pfaff*

Advocacy groups are all the rage! Over the past two decades, a new cottage industry has erupted in academia examining the seemingly explosive growth in new social movements, advocacy groups and non-governmental organizations (NGOs) that has occurred in Western industrialized nations and several developing nations as well. Many of these movements and NGOs have crossed international boundaries, feeding the notion that globalization is eroding boundaries between people all around the world. This literature certainly has added to our knowledge of how advocacy groups originate and operate. But curiously missing from these recent studies has been any discussion of what amounts to the world's most common, oldest, and largest advocacy bodies – religious organizations.

Consider the following question: what is the world's oldest formal, hierarchical institution that is still in existence today? If you answered the Roman Catholic Church,<sup>1</sup> go to the head of the class. Depending on how one defines the hierarchical origins of the Roman Catholic Church, that institution has been around between 1,700 and 2,000 years.<sup>2</sup> Even with the lower estimate, the Catholic Church has existed far longer than any contemporary state or historical dynasty and has done so even in the most turbulent of times. Further consider that the Catholic Church possesses roughly 1 billion members around the globe, with a presence in nearly every country. What other formal organization can boast of such

<sup>1</sup> Credit will also be given if you answered the Eastern Orthodox Church.

<sup>2</sup> It is somewhat difficult to date when the Catholic Church became a formal hierarchy. Christianity has been around since his first followers proclaimed the Resurrection of Jesus Christ in 33 CE and there certainly were efforts made to provide organization in the movement at least by 50 CE (cf. the Council of Jerusalem mentioned in Acts 15). Thus, an estimate of roughly 2,000 years seems reasonable. The other common dates associated with the creation of a hierarchical Church are 313 CE, when Constantine declared Christianity to be one of the official religions of the Roman Empire, and 325 CE, the First Council of Nicea, wherein Church leaders set about defining a unified Christian canon. However, even prior to the Edict of Milan (313), the Church did have well-defined leaders who had authority over territory and who interacted with one another.

tremendous size and international scope? One would imagine that social scientists interested in organizational emergence, preservation and collective action would want to know what makes this organization tick. But we should not just stop there. Protestantism, Judaism, Islam, Hinduism, and a variety of other religious traditions have existed for hundreds or thousands of years, often without the benefit of a centralized organization like the Catholic Church.

Can these religious traditions be considered advocacy groups? Most certainly! At a bare minimum, they are advocating for the acceptance of their spiritual ideas to be adopted by as many people as possible – something known as evangelization or proselytization.<sup>3</sup> Like secular advocacy groups, they seek to increase membership and financial donations from their adherents. Even in the realm of public policy, churches behave similarly to secular NGOs; religious leaders frequently find it necessary to lobby for government policies that serve their organizational ideals or needs (cf. Fetzer and Soper, 2005). These policies may include issues related to moral ideals (e.g. traditional marriage, assisting orphans) and/or organizational interests (e.g. property rights for churches). Promoting religious freedom has been a major advocacy cause for Protestant missionary groups worldwide. On the flipside of that coin, some national churches have become advocates for policies that limit the freedoms of religious minorities that are seen as a threat to their own spiritual hegemony, often asking governments to ban missionary activity or make it difficult for a religious group to get a building permit (Gill, 2007). Beyond promoting their own interests in evangelizing, religious organizations have long been influential actors in social and political advocacy movements, many of which have influenced government policies across a wide swathe of nations. The abolitionist movement in the eighteenth and nineteenth centuries, wherein leaders from a number of different Christian denominations pressured for the end of the international slave trade in the West, immediately comes to mind (Stark, 2003: 291–365). From the 1960s through the 1980s, the Roman Catholic Church, joined by the World Council of Churches, in countries such as Chile, Brazil, and Nicaragua became highly vocal opponents of the authoritarian regimes that were ruling over their respective nations and in other parts of the region (Gill, 1998). In contemporary times, an uncountable number of Christian missionary groups have been active throughout the world providing relief following natural disasters, engaging in community

<sup>3</sup> This is certainly true of Christianity and Islam. Contemporary Judaism probably could not be considered an aggressively proselytizing religion. Some Hindu sects and Buddhist organizations also actively proselytize.

improvement projects, and providing education to children. Indeed, when we think of secular international NGOs at work in various parts of the developing world, we often forget that they are frequently outnumbered by religious missionaries or indigenous members of international churches who perform similar tasks, often more efficiently and based upon purely volunteer labor. Surely anybody interested in studying advocacy organizations would want to rethink (or just *start* to think about) the role and historical success of religious groups.

The primary purpose of this chapter is to issue a clarion call to researchers studying advocacy groups to consider the role of religious organizations as advocacy groups. Second, while we understand that asking a group of scholars embedded in one field of research to immerse themselves in an entirely new literature is difficult and costly, we will present some of the basic findings about religious organizations associated with a newly emerging “religious economies” school. This theoretical perspective borrows heavily from microeconomic (or rational choice) theory to understand how churches organize and function in a variety of environmental settings. In particular, we will argue that scholarship on how religious leaders solve collective action problems is especially instructive for researchers studying advocacy groups. The primary collective action problem faced by churches, and one relevant to the collective action approach highlighted in this volume, relates to how religious institutions can induce members to contribute voluntarily to the provision of public, club, and credence goods.<sup>4</sup> In essence, religions excel at getting people to contribute to the production and distribution of unverifiable promises of future benefit to a wide range of individuals, similar to secular advocacy groups that seek to promote a better future for humanity or a specific group of constituents. Collective action for churches comes in the form of contributing to the financial support of the church and/or volunteering for a variety of activities ranging from providing daycare or crisis counseling to serving as a missionary in a foreign land. Secular advocacy groups also require voluntary financial contributions and labor.

Our *final section* will present two brief empirical discussions in differing environmental contexts – the rise of Christianity in the first three centuries of its existence and efforts by Protestant missionaries to establish a presence in Latin America during the last century. In conjunction with the themes of this book, our emphasis throughout will be upon the emergence and structure of religious (advocacy) organizations. We believe that the key contribution of an examination of religious groups for the study of

<sup>4</sup> These different types of good will be defined below.

secular advocacy groups lies in understanding how religions can successfully obtain voluntary compliance from their membership even when the benefits that they provide to those members are essentially promises of greater things to come. These promises, known in the literature as “credence goods,” present unique and difficult problems for organizing voluntary compliance, yet religious groups have been more historically successful than secular groups.

### **The economics of religion**

Scholars studying advocacy groups can be forgiven for long neglecting the role of religious institutions.<sup>5</sup> For most of the past century, scholarship around religion was informed by secularization theory – i.e. the general notion that as societies modernized religious practice and/or belief would become less prevalent in society, if not become extinct (cf. Bruce, 2002; Norris and Inglehart, 2004). If the very experts who studied religion thought their subject of inquiry was becoming less relevant, why would any other scholar consider the topic important? But by the last few decades of the twentieth century, a giant problem emerged for secularization theory – the data did not match the predictions. Not only was the world’s most modernized country – the United States – seemingly immune from secularization, but there also seemed to be a “global resurgence” in religiosity, particularly of the fundamentalist or evangelical variety (Berger, 1999; Jenkins, 2002). A variety of terrorist attacks by Islamic militants certainly drew attention to the ongoing religious fervor of populations in the Middle East, and Central and South Asia. Slightly less noticed but equally amazing was the “rapid” spread of evangelical Protestantism and Pentecostalism in Latin America (Stoll, 1990),<sup>6</sup> prompting the Catholic Church to “reevangelize” the region and increase active participation in their faith (Gill, 1998).

In response to the empirical problems faced by secularization theory, a small number of sociologists, economists, and political scientists began exploring new theoretical models that explained both the persistence and

<sup>5</sup> What is a paper on religion without a little grace after all? If you are one of the scholars who has ignored religion, we shall turn the other cheek, so long as you keep turning the pages here.

<sup>6</sup> Protestantism seemed to “explode” out of nowhere in Latin America in the 1980s and 1990s, giving the impression that it was all based upon rapid mass conversions. However, Protestants had been missionizing in the region several decades before academics really took note of the phenomenon. The “explosion” of Protestantism was no more miraculous than the typical growth curve of most historical religions that rely upon simple geometric expansion to seemingly burst forth from nowhere.

growth of religion in some areas of the world (namely the United States and the developing world) and its apparent decline in other parts (most notably Europe). Relying upon “rational choice theory,” these scholars formed what would become known as the “religious economies school.”<sup>7</sup> The basic idea behind their theories was simple. Religiously motivated people tend to respond to cost-benefit incentives just as much as people operating in non-religious spheres of life (e.g. in secular businesses). The religious economies school tends to place a high level of explanatory emphasis on the “supply side” of religion, explaining differences in religious practice on the basis of how efficiently religious firms (churches) meet the underlying demand for religious goods in society (cf. Stark and Iannaccone, 1994). This is in contrast to traditional secularization theorists who saw cross-national differences in religiosity as a function of consumer demand – religious practice falls simply because people stop believing in God. Interestingly, Grace Davie’s (1994) path-breaking survey of religion in Britain (since extended to Europe) found that even in areas of low church attendance, there were high rates of belief in God and even private expressions of faith such as daily prayer. This certainly indicates that European churches, which face low attendance rates, do a poor job at securing collective participation (action) of their latent membership whereas US churches are much more successful at this task.

For present purposes, two central findings from the religious economies school are important for those studying the relative success and failure of advocacy groups in organizing collective action: (1) over time, strict churches that impose sacrifices and stigmas on their members tend to be more efficient and successful than churches that are less strict; and (2) religious groups (and religiosity in general) tend to flourish in countries where the religious marketplace is deregulated – i.e. where there is extensive religious freedom. These two findings are somewhat interconnected: state churches that are highly regulated and subsidized tend to lose their “strict” nature and desire to cultivate their flock whereas unregulated churches that are not subsidized by the government tend to work harder at solving the collective action problems (i.e. securing voluntary attendance, financial support, and labor) that they face. Before detailing these findings, it is first necessary to understand the collective action problem facing religious organizations, a problem that is similar to that

<sup>7</sup> See Stark and Finke (2000) and Iannaccone (1995) for good summaries of this perspective. The scholars who were associated with the early development of this perspective include Rodney Stark, William Sims Bainbridge, Roger Finke, and Laurence Iannaccone. Stathis Kalyvas, Carolyn Warner, and Anthony Gill were the first political scientists to adopt this perspective.

faced by secular advocacy groups promising to improve life circumstances for some group of people.

*Religions as successful collective actors*

The provision and survival of religion can be viewed largely as a collective action problem. Like other collective actors (e.g. labor unions), religious groups face difficulties not only in recruiting and retaining members, but also in getting their members to pay for the provision of the goods and services that churches offer, especially considering that there are strong incentives to free ride and shirk. Before discussing how religious organizations have successfully (and unsuccessfully) solved their collective action problems, it is first necessary to conceptualize what religious collective action is actually trying to achieve. In other words, what are the collective goods and services that churches provide? We will argue that religions provide both public and club goods.<sup>8</sup> Moreover, religious goods also tend to be something economists call “credence goods.” This aspect exacerbates the collective action problem faced by religions, but also points to how churches solve their collective action dilemmas.

The most fundamental goods (or services) that religions produce are philosophical answers to the “big questions” of life. Why are we here? Is death really an end to life? Is there meaning or purpose to life? What are the moral codes that can help guide me to a better life and/or salvation in the afterlife? The success of Rick Warren’s *The Purpose-Driven Life: What On Earth Am I Here For?* – which has sold over 30 million copies worldwide – provides strong evidence that there is a demand for this type of good. Of course, the Bible has sold innumerable copies throughout history, but Warren’s book demonstrates that the search for meaning in life remains an attractive goal for people in contemporary times, and that they are willing to pay for it. Like classic public goods, these fundamental religious goods have the qualities of non-excludability and non-rivalry associated with them. In other words, my understanding of the purpose of life in no way takes away from your understanding (non-rivalry) and once the message is out it is difficult to keep people from

<sup>8</sup> Religious organizations also provide private goods (that is, goods which are divisible and can become unique possessions of adherents, e.g. salvation or a blessing) and religious organizations can also be private goods in that possession of one excludes possession of another (you cannot be member in good standing of the Roman Catholic Church and the Church of Latter Day Saints at the same time). However, to the extent that they are interested in the production and distribution of publicly available creeds, charitable services, and the like, most religious organizations focus on providing public goods (cf. Ekelund, Hébert, and Tollison, 2006).

enjoying that knowledge (non-excludability). Just like a digital song, I could borrow a copy of Rick Warren's book from a friend without having to pay for it and "download" (read) all of the information provided therein. It is similar with Sunday sermons. I could listen to a sermon and not contribute to the salary of the pastor or the rent of the church building when the collection plate is passed around. Churches could obviously charge admission before you hear the sermon, but it would be just as easy for the general message of that sermon to be disseminated to others by attenders. What amazes even further is that most churches in the United States only ask for voluntary contributions (i.e. no required admission or membership fee) and an increasing number are putting their sermons online for free access. Given this, why would anybody attend or contribute financially to a church service?

Part of the explanation to the above question lies in the fact that churches often provide more than just classic collective goods – i.e. "fundamental answers" to life's great mysteries. They provide fellowship with like-minded people, educational services, emotional support, and opportunities to sing publicly outside of karaoke bars. These additional services have the qualities of club goods. Club goods are goods that are non-rivalled yet excludable, meaning that their quality is often enhanced the greater the number of people that consume them. While one could certainly get the fundamental answers to life by reading Rick Warren's book or the Bible, you can only obtain fellowship, education, emotional support, and singing by belonging to and participating in the group.<sup>9</sup> Eternal salvation could also be conceived of as an excludable club good to the extent that public participation in a religious group is a requirement of receiving grace; if you do not go to church regularly, St. Peter will not open the Pearly Gates. Religious rites such as baptism, confirmation, or repentance are common methods of preparing for salvation and can only be obtained through participation in a collective religious organization, often at a price. Interestingly, though, many Christian denominations conceive of salvation or grace as freely given by God, requiring only simple belief. In other words, salvation can be a club good or not depending upon the theological interpretation of a specific denomination. The effective provision of these club goods helps to attract people into the church and partially solves the collective action problem surrounding the provision of the more "public good-like" philosophic answers. Individuals only reap the benefits of many of these club goods so long as they participate in

<sup>9</sup> A large number of churches also maintain funds to help their members in times of financial need, very similar to insurance. Only members who are in good standing with the church are allowed access to these funds.



the group. In the process, their participation for the club goods helps to provide for the production and dissemination of the public goods. Of course, the ability of the group (church) to provide these services effectively will depend on how much members contribute either financially or via volunteer work. Pastors need to be paid, buildings rented, and Sunday schools staffed. Without this, there will be no fellowship, no spiritual succor, no baptisms, no confirmations and no chance of obtaining forgiveness. Churches still face the possibility of shirking, that is, tithing less than what is required or necessary of the group to flourish (Harris, 1993).

There is one final quality of religious goods that requires mention, and it is a quality that helps us understand how religious groups reduce free riding and shirking. The most fundamental religious “goods” fall under the rubric of what economists call “credence goods.” A credence good is a good wherein a consumer cannot determine the quality of the good until some future date, often long after the point when it is purchased. Insurance is a classic example. A motorist buys car insurance under the expectation that when he is in an accident the insurer will pay to fix his car. However, it is only after having paid the premium and been in an accident that the purchaser can know if the company will follow through on its promise to pay. In essence, a consumer buys insurance on “faith.” Religion, particularly one offering some afterlife salvation, represents the ultimate credence good; one “purchases” a religion in the present with the expectation that they will receive everlasting life or spiritual enlightenment at some point in the future. The credibility of the philosophical answers that churches provide are largely unverifiable and also need to be taken “on faith.” It is reasonable to assert that churches face an uphill battle in convincing people to pay a significant price for something that they do not know they will receive, nor how accurate the answers are. Dying is the only way to verify the quality of salvation. And there are no refunds associated with religious goods; lemon laws do not apply.<sup>10</sup> That religious goods are a combination of public goods, club goods, and credence goods provides incentives for people to free ride or shirk their responsibility for paying for such goods.

In many ways, secular advocacy groups exhibit the same type of qualities with respect to the goods that they provide and also face similar collective action problems such as free riding and shirking. Most notably,

<sup>10</sup> Lemon laws were created to alleviate the credence good problem associated with the purchase of automobiles, particularly used cars. If a vehicle did not perform according to some minimal standard, the purchaser would be owed a full refund from the seller. The US court system does impose a “Lemon test” on government policies associated with the support of religion (see *Lemon v. Kurtzman*, 403 US 602 [1971]), but these are not the same as lemon laws.

many secular advocacy groups are involved in the production of public, club, and credence goods. For example, an environmental group such as the Sierra Club promises to work toward a cleaner environment. A cleaner environment is obviously a public good, but it is also a credence good in that there is no way of determining whether or not that promise is fulfilled until some point much later in the future. Potential contributors must trust in the promises of the Sierra Club. But the Sierra Club is also a club, as evidenced by its name, and members who contribute do get access to a variety of individual perks (e.g. discounted admissions to partner institutions, magazines and newsletters, a glossy calendar filled with cute animal pictures) and club goods, such as discounted prices on eco-tourism trips. Likewise, the National Rifle Association promises a defense of Second Amendment rights (a public and credence good) while simultaneously offering members special discounts on life insurance (club good),<sup>11</sup> as well as private goods (e.g. a glossy calendar of game animals).

#### *Solving religious collective action problems*

Given the public good and credence nature of religion, how are churches able to secure the collective support of their membership? Moreover, why are some denominations more successful at solving these problems than others? As noted above, the club aspect of religion provides a partial resolution to the problem of free riding. In order to obtain some of the club benefits, you have to be an active member of the club. To enjoy the fellowship of the club, you have to engage in fellowship yourself. Additionally, churches do provide some individual benefits that help attract participation such as free coffee and donuts on a Sunday morning. This leads us to the proposition that churches (advocacy groups) that provide club and/or private goods will be more successful than those that do not, *ceteris paribus*. Groups that ask people to contribute to “save the world” will not garner as much collective support as those that ask people to “save the world” and give them discounted insurance and baseball caps.

While these actions help to alleviate free riding to some degree, they certainly do not guarantee against shirking – contributing, but contributing less than what is necessary for the collective to flourish. A parishioner

<sup>11</sup> One might argue that discounts on eco-tourism packages and life insurance are actually private, selective benefits. However, both of these services require a bulk purchase of many people and all club members share in the lower prices of those services, which represents the non-rival nature of the club good – my ability to purchase discounted life insurance is not affected by your purchase.

can come and sing during Sunday services (enhancing fellowship) but not drop any cash in the collection plate. Those “free donuts” need to be paid for by someone, not to mention the pastor’s salary and the church’s mortgage. If people do not contribute substantially more than the bare minimum for entry into the club, the group probably will not survive. Likewise, Sierra Club or National Rifle Association members might be able to pay the basic membership fee, but neither group will likely succeed in their larger advocacy goals (beyond increasing membership) if some significant number of members do not contribute additional funds or labor. So how do religious groups solve the shirking problem?

The first general method of solving the shirking problem relates to investing in the credibility of the organization. As noted above, religious goods are credence goods and it is only natural that people will be reluctant to contribute large amounts of resources to an organization that cannot guarantee its product. For religious groups, this is difficult given that the quality of the fundamental goods produced by religions is nearly impossible to verify. Nonetheless, religious organizations have found a myriad of ways to invest in the credibility of their organization. Priests who take vows of poverty or chastity signal to the consumer that they are not pursuing their career for worldly gain or pleasure.<sup>12</sup> The public celebration of martyrs is another means of signaling the quality of a good. If someone is willing to die for their faith, it must be a pretty good product! Missionaries are often individuals who could have pursued lucrative careers in some other line of work, yet choose to give up creature comforts to pursue proselytization even under the most dangerous of conditions. Public testimonies (witnessing) of faith healing and of remarkable spiritual transformations serve to enhance a religion’s credibility. Religious organizations also perform good deeds (i.e. charity). While this may relate to the heart of its moral mission, these good deeds often build trust among a population of non-believers who then eventually build an emotional attachment to the church. By providing food or shelter, a church may subtly signal that they are an altruistic organization, which in turn enhances the believability of the credence goods they are “selling.”

<sup>12</sup> It is fascinating to consider the extravagant facilities and clothing that many televangelists (not to mention Roman Catholic prelates) maintain and we have thought that this would be an interesting research project (dissertation) in the sociology of religion. The lavish life styles of many televangelists would seem to send a signal that the religion they are peddling is less than credible. Financial scandals involving the likes of Jim Bakker certainly chip away at the credibility of other televangelists – at least this would seem a reasonable hypothesis. Nonetheless, televangelists appear to remain popular. Perhaps the grandeur of the televangelist life style indicates that God has blessed this particular ministry, much in the way that the Sistine Chapel signals the glorious achievement and divine favor enjoyed by the Catholic Church.

To the extent that people are more likely to contribute to the provision of credence goods when they have strong signals about the trustworthiness of the organization, churches that build credibility will be more successful than those that do not.<sup>13</sup> In short, advocacy groups that invest more heavily in establishing credibility will have greater success in obtaining voluntary compliance than groups that do not.

The other solution to solving free riding and shirking problems within religious organizations is to screen out any free riders or shirkers at the outset. One of the most intriguing findings in the religious economics literature is that the denominations that are the strictest (e.g. Mormons, Jehovah's Witnesses, Orthodox Jews) are the ones that tend to have the highest levels of participation and tithing (Iannaccone, 1994; Stark and Finke, 2000: 169–190). By strictness it is meant that these churches impose high behavioral standards and sacrifices upon their members. The Latter Day Saints (Mormons) prohibit members from consuming alcohol or caffeine, cutting down on the outside activities they can indulge in. Likewise, Witnesses are forbidden from drinking alcohol, are required to do significant amounts of “doorbelling” and are not permitted to pursue a college degree (significantly restricting their career opportunities). Pentecostals face similar restrictions on booze and engage in a variety of behaviors that set them apart from their neighbors (e.g. glossalia, faith healing). Orthodox Jews must observe strict dietary restrictions and cannot use electronic devices during the weekly Sabbath. Other denominations such as Pentecostals, Adventists, and Baptists impose similar restrictions on their members.

Iannaccone (1992) has argued that various sacrifices and stigmas associated with different religious groups serve to limit free riding in the organization. If being a member of a certain religious denomination entails wearing specific clothing (e.g. yarmulkes, turbans, hijabs), agreeing to different behavioral restrictions (e.g. no drinking, eating meat, or attending college), or making an extensive time commitment (e.g. doorbelling ten hours per month), those who are most likely to free ride on the tangible benefits of the religious group will not likely be the ones willing to pay those upfront costs. Sacrifice and stigma, in essence, screen out free riders and shirkers. The members who agree to these sacrifices and stigmas are more likely to be active in other areas of the church organization and add to the overall club benefits, be it singing louder during services, helping out with childcare or contributing financially. Iannaccone has shown that members of strict churches attend services at

<sup>13</sup> The flipside of this coin is that religious organizations are very vulnerable to scandals that eat away at trustworthiness.

a substantially higher rate and contribute a greater percentage of their income relative to less strict churches, even after controlling for various socio-economic factors (1992: 285–286). This implies that strict churches tend to be more efficient than their less strict counterparts when it comes to furthering collective action. In this situation, the overall club benefits will actually increase, thereby making membership in a strict religion a “good bargain” even when the high costs of sacrifice and stigma are considered.<sup>14</sup> The fact that many of these religious organizations appear so vibrant from the outside acts as an inducement for some people to consider joining them, and hence such strict religions often have high growth rates.<sup>15</sup>

Religious organizations that do a good job in screening out potential free riders also enhance their collective action potential in two other ways. When members of a church find it in their best interest to be active participants in that organization, they build up what Iannaccone (1990) has termed “religious human capital.” Simply put, “religious capital” is the stockpile of knowledge one has about a theology, religious practices, and relationships within an organization. A certain “virtuous cycle” is at play here: the more one is active in a church, the more one builds up religious capital, and this makes one more willing to participate in the church. Successful experience with collective action begets more collective action. Additionally, greater participation in a religious group helps to build denser social networks among the people involved in that church. This has the effect of enhancing trust and trustworthiness among the group’s members. Successful collective action often involves knowing the intentions of others within a group so as to prevent possible defection in a collective endeavor (Chwe, 2001). If I know that a person close to me is planning to cooperate in a potentially risky or costly endeavor, I am more willing to participate. Dennis Chong (1991) has shown that church social networks were immensely important in signaling trust among

<sup>14</sup> Iannaccone (1992) does note that strictness has its limits, though. Religious groups or cults that demand members turn over their worldly possessions to the group may be able to get a few followers, but they seldom grow to any significant size. Likewise, Amish and Mennonite communities show a remarkable ability to control free riding within their community, but they tend not to be attractive religions to join.

<sup>15</sup> There are still a large number of factors that influence an organization’s effectiveness that have not been discussed here. One of the obvious questions left unanswered is that if strictness enhances the vibrancy and growth rates of a religious organization, why do all religions not follow suit and become stricter? And why do some previously strict churches such as the Congregationalists (now the United Church of Christ) and Methodists (namely the United Methodists) become much more “lax” in their behavioral codes? We would argue that much of this can be explained by the organizational structure and its effects on the incentives of clergy, but that is another topic for another time (cf. Finke and Stark, 2006).

participants of the Civil Rights Movement in the 1960s and formed a key element of the movement's success.

While the issues of requiring sacrifice and stigmas may not be of direct applicability to secular advocacy groups (after all, it would be silly for environmentalist groups to require all their members to wear Birkenstocks and maintain vegan diets), understanding why religious groups are so successful at collective action should be of interest to those studying advocacy groups. How important is a sense of collective identity that imposes behavioral requirements or mandates sacrifices by members for organizational success? What institutional mechanisms reduce free riding in groups? What organizational requirements enhance trustworthiness and build social capital within an advocacy group? Are there strategies and tactics that successful religious groups have employed that are transferable to secular NGOs? On a more normative front, to what extent can secular advocacy groups partner with (or piggyback on) the organizational strengths of religious groups, benefiting from their preexisting efforts to collectively mobilize?<sup>16</sup> As noted above, religious groups have had their fingerprints all over a number of very successful social movements throughout history, from the abolition of slavery to the Civil Rights Movement, not to mention women's suffrage, Prohibition, the Central American sanctuary movement and anti-abortion protests. And Christian missionaries currently can be found in all corners of the world providing medical care, education, and other social services to communities lacking in basic infrastructure. How these missionaries locate in these different areas is related to the next topic – religious freedom and pluralism.

*Religious liberty, government subsidies and organizational vitality*

In addition to noting that churches have been successful in collective action, the other major finding of the religious economies school has been that religious organizations tend to flourish in countries with a great deal of religious pluralism, which in turn is a function of the degree to which the religious marketplace is deregulated (Finke, 1990; Iannaccone, 1991). To state it a different way, where a government provides a substantial degree of religious liberty it is likely that a wide

<sup>16</sup> Froese and Pfaff (2001) note this tendency for secular advocates to find a home in religious organizations in Poland and East Germany under Communist rule. Not only did these activists benefit from the organizational structures of the Catholic and Lutheran churches, but also these denominations provided them with some “cover” from persecution as the Communists in these two nations were more reluctant to attack a traditional religious institution than a secular protest movement. Hewitt (1991) noted a similar phenomenon in Brazil during the bureaucratic authoritarian period in that country.

array of religious organizations will arise and will be free to pursue their mission via the means they best see fit. It is likely that these religious groups will find themselves in competition with one another. Where this happens, clergy have an incentive to find the best means of attracting converts and keeping them active in their church – i.e. solve collective action problems. In contrast, where there is a state-supported monopoly church, there is little incentive for the clergy to devote extensive energy to evangelization, particularly if their salaries and other organizational costs are paid for by the government (Stark and Iannaccone, 1994).

The religious economies school begins with the assumption that religious preferences within society are naturally pluralistic, varying by general theological approach or more mundane desires such as the presentation style of the pastor (Stark and Finke, 2000). From this assumption, it is argued that no one single church can completely satisfy all religious preferences. A “successful” religious monopoly requires government coercion to prevent upstart sects from entering the religious market and stealing away the dominant church’s flock. Along with prohibitions on religious competitors, religious monopolies often receive official sanction and, perhaps more importantly, financial subsidies from the government. Noting that churches do face a collective action problem in providing intangible credence goods (see above), it is not surprising that religious officials may welcome government funding for their mission. Government subsidies are one way of solving the financial difficulties with the free riding and shirking problems in church, particularly with regards to suboptimal tithing on the part of the congregation. As Adam Smith observed long ago, this creates enormous incentives for religious organizations to seek state subsidies and protections. Indeed, recent cross-national research shows that, outside of the United States, nearly all religious economies are regulated to some degree (Fox, 2006). Moreover, even where formal religious freedom obtains, government efforts to favor some religious communities over others or to discriminate against undesirable religions is nearly ubiquitous (Grim and Finke, 2007).

However, research has shown that such favoritism comes at a substantial cost in terms of organizational energy. First, where competing denominations are essentially prohibited, clergy within the dominant faith have little incentive to constantly evangelize the population since their membership is essentially guaranteed (Gill, 1998).<sup>17</sup> If the clergy are

<sup>17</sup> This does not imply that clergy no longer care about the pastoral cultivation of their flock. What it does imply, though, is that with a “captured market,” clergy with scarce time resources will feel less pressure to devote extensive amounts of time to getting people into the pews on Sunday, especially if government funding makes voluntary contributions less



guaranteed some level of funding from the state, they have less of an incentive to seek voluntary contributions from their members. Pleasing government officials who control budgetary matters becomes more important than enticing parishioners to tithe by providing interesting services that they may want or demand. Advocacy also suffers as religious leaders will likely discourage any clergy or parishioners from undertaking activities that may run counter to or compete with government interests.

In countries where the religious marketplace is deregulated and churches are “on their own” with respect to funding, it is totally predictable that the religious market would be more dynamic.<sup>18</sup> Without any government-imposed barriers to organization, different denominations are likely to arise and satisfy different market niches. Pluralism flourishes under conditions of religious freedom. These denominations will likely compete with one another for members. Such competition may have zero-sum qualities to it such that one denomination may draw members from another denomination.<sup>19</sup> But there may also be positive-sum qualities to religious diversity. Specifically, leaders of one church may learn how better to serve their own congregants by observing the successful techniques of other churches. Christian bookstores are filled with “self-help” books for pastors on how to build a successful church. Indeed, Rick Warren’s first “purpose-driven” book was titled *The Purpose-Driven Church* indicating that he was more than happy to share the organizational secrets of his hugely successful Saddleback Church.

Religious pluralism and the lack of government subsidies have substantial consequences for the advocacy role of churches. First, given that the fundamental role of a religion is to spread the faith, there is an incentive to be as successful as the competing denomination down the road by seating as many people in the pews on Sunday. No minister would like to feel that his message is less appealing than another minister’s, thus he will likely

necessary (cf. Smith, 1976 [1776]). Parishioners who are disgruntled with the services they receive have few remedial options given that their “exit” option to other denominations is essentially forbidden by government decree. Their only real option is not to attend services that they find boring or distasteful. While a monopoly church may see low levels of attendance, the inability of disgruntled consumers to move to a different denomination makes it appear as if the non-attenders still belong to the major faith but are just too lazy to come.

<sup>18</sup> Although the present authors find this assertion to be remarkably predictable, there are some who find it completely counterintuitive. Noted secularization theorist Steve Bruce, when confronted with the fact that the United States maintains high levels of religious freedom and is one of the most religiously dynamic Christian nations, claimed that US citizens were either lying about attending church or not practicing real religion at all (2002: 205–213).

<sup>19</sup> A recent Pew Foundation survey found that roughly 40 percent of all Christians in the United States, a country with a relatively free religious market, have switched denominations at some point in their life.



work hard to be at least as successful as others. This provides a strong incentive to find creative ways to solve the collective action problem faced by churches (as noted above). Second, in working hard to attract and activate lay members of their congregation, clergy in a pluralistic religious market will actually be laying the groundwork for future advocacy activities. Keeping people engaged in their faith often means providing them small leadership roles in the congregation, which in turn provide those members with organizational skills (and religious capital) that can be used for other activities, whether it be overseas missionary work, providing social services in the local community (e.g. clothing drives for the poor) or mobilizing politically for specific causes (e.g. advocating prayer in public school, lobbying politicians for tougher abortion laws).<sup>20</sup> In short, the success of religious groups in solving collective action problems provides a unique source of organizational skills for other advocacy groups to piggyback on. In many ways, this explains why religious groups have had their fingerprints on some of the great social movements of the past several centuries – from abolitionism to women’s suffrage to civil rights (Chong, 1991; Smith, 1996; Stark, 2003).

The important lesson here for scholars of advocacy groups is that when organizations are forced to compete independently for the attention and resources of members, they will tend to devote more time toward solving the inherent collective action problems associated with bringing together such groups. Should such groups become beholden to government funding or protection from competing organizations, they are less likely to cultivate the needed voluntary human resources that can make an organization dynamic. This assertion could be tested empirically by determining whether voluntary-funded advocacy groups are more efficient in accomplishing their tasks than government-funded ones. I will leave this task to others.<sup>21</sup>

<sup>20</sup> There has been research showing that members who are active in a religious community are more likely, to volunteer and contribute financially to secular causes (Gill, 2004; Brooks, 2006).

<sup>21</sup> Our casual impression is that private charities tend to have much lower deadweight costs associated with their activities than government agencies performing similar tasks. Of course, a government agency is fully funded by the government. The more appropriate comparison would be with a private advocacy group that gets a portion of its funding from government grants. The recent Faith-Based Initiative of the Bush administration offers a perfect test case. One of that program’s intentions was to allow private religious charities to obtain government grants for their work. Not all religious charities signed on to this program. The empirical prediction, if we are correct, is that those religious charities participating in getting government grants would have higher deadweight (administrative) costs than those that continue to rely upon private contributions, controlling for such things as the nature of the charitable work, the size of organization, etc.

### **Empirical illustrations**

With the above theoretical groundwork laid, we now turn our attention to two brief illustrations of the insights provided by the religious economies perspective – the rise of Christianity and the spread of Protestantism in Latin America. These examples are not meant to be rigorous empirical tests, but rather serve only to highlight some of the points above and possibly inspire thought among others.<sup>22</sup>

#### *The rise of Christianity*

It can be reasonably said that Christianity is one of the world's most successful social movements, transcending national, racial, and ethnic boundaries. With an initial goal of spreading to the four corners of the earth, a small handful of disciples following the crucifixion of Jesus Christ has expanded to encompass nearly 2 billion adherents today (Barrett, Kurian, and Johnson, 2001). The success of Christianity was in no way guaranteed. For the first three hundred years of its existence, the Church received virtually no state support and instead had to suffer at least three major persecutions (Johnson, 1976: 3–63). Indeed, the Jesus movement that began in the first century (Common Era) would appear to have faced insurmountable obstacles: it arose in Palestine, on the periphery of the Greco-Roman world amongst a rebellious and widely distrusted ethnic group (the Jews); it faced official rejection by the state and periods of bloody repression; and its doctrines rejected the key values and achievements of pagan civilization. Christian doctrines and morals were hostile to many of the cherished values of Greco-Roman paganism, among them the virtues of nobility, worldliness, and mastery. And the elite were offended by Christian denunciation of Roman glory as sinful.

In addition to official disfavor, Christianity was not the only novel religion spreading in the Empire. The Jesus movement faced stiff *competition* from other new religions that were also spreading. These included not only Judaism but also the cults of Isis and Mithras. These “mystery cults,” as they were called, also promised wisdom and consolation in this world and salvation in the next. Relying on nothing but voluntary labor and financial support, Christianity managed to grow to roughly 10 percent of the Roman Empire by the year 300 (Stark 1996: 7). How was such an amazing feat possible given the technological conditions of the time?<sup>23</sup>

<sup>22</sup> There have been numerous empirical tests of the religious economies school to date. For a comprehensive introduction to these, consult Stark and Finke (2000).

<sup>23</sup> Believers do not rule out divine providence in the Church's early expansion. Nonetheless, social science provides important insights that may be generalizable to other like cases. It

Given that Christianity was a new religion at the time, albeit one based upon Judaic tenets, Christian missionaries – as an advocacy group for their faith – faced a huge credibility problem. Why should a pagan or Jew switch religions, particularly one that for pagans demanded devotion to one divinity<sup>24</sup> or that for Jews required a break from tribal traditions that might leave them ostracized in their own community? Why was Christianity a better, more credible option than paganism or any other preexisting faith?

The initial answer to the credibility question relates to the receptivity of the first converts. Rodney Stark (1996) asserts that a large portion of early Christian converts were probably recruited among Hellenized Jews – i.e. Jews living outside of Palestine who retained a weak connection to their ethnic and religious heritage and were becoming increasingly attracted to the perquisites of Gentile life. It must be remembered that Jews were not a popular ethnic group in the Roman Empire at the time. The message of early Christians may have been especially appealing to those Hellenized Jews who wanted to be closer to their Gentile neighbors without abandoning their Judaic heritage. The message of early Christianity was credible in that it fit within the Judaic tradition; Christianity did not require a wholesale change in theology, but rather only an “updated” version. Moreover, abandoning the more outward expressions of their Jewish heritage (e.g. dietary restrictions) made it easier for Hellenized Jews to become integrated into Roman and Gentile culture.

Second, whereas Christianity provided a means whereby Jews could integrate more easily into their Gentile surroundings, early Christian proselytes faced disgrace, ostracism, torture, and even death for promoting their faith. Prominent individuals who bore witness to the glories of Christianity while simultaneously facing intense persecution greatly enhanced confidence in the message of salvation (credence good) promoted by Christianity. To illustrate the point, consider the most important Christian missionary, Saul of Tarsus, later known as the apostle Paul (c. CE 10–67). Born a Jew in Asia Minor and trained as a Pharisee, he was a credible witness among Hellenized Jews, who appear to have been the principal focus of his mission. Paul himself was an excellent symbol of conversion; as a pious Jew he had initially rejected the Gospel and had taken part in the persecution of Christians in Palestine (Crossan and

is interesting to note that Stark (1996, 7) calculated that the rate of Christianity’s expansion in its first three centuries roughly mirrors the growth rate of Mormons over the past century and a half – approximately 40 percent per decade.

<sup>24</sup> The decision to leave paganism was a rationally difficult decision to make if one considers that paganism functioned as a “diversified portfolio” religion wherein you had many deities. Switching to a monotheistic religion would be like moving from a mutual fund and putting all your retirement savings into one security.

Reed, 2004; Gorman, 2004). Not surprisingly, Paul has been championed throughout the ages as a major symbol of Christian commitment and conversion. If Paul, who had no economic or social interest in converting and enduring persecution, could tolerate imprisonment and execution, then the “product” of Christianity must be good value at any lower price.

Paul was not the only martyr. Many early Christians bore the brunt of social discrimination, local riots, and lynch mobs. While the repression was more episodic than consistent, it did come with great cruelty. And yet many early adherents willingly chose to suffer through such harsh treatment. Indeed, many Christians brought to trial in the Roman Empire were given the option of absolution if they chose to recant their faith; but many did not and became lion food. Consistent with the religious economies model, such willing martyrdom boosted the credibility of the movement. As per the Christian teacher Tertullian: “By the blood of the martyr the Church is refreshed.” As per modern economics of religion, the public payment of high costs to belong to an organization by a small group of zealots enhances the overall credibility of the good when the validity of the product being offered might be in doubt. Admittedly, Tertullian said it better.

Amidst a highly competitive religious market populated by numerous pagan cults, the organizational structure of Christianity enhanced its ability to recruit and retain members. Religious pluralism provided strong incentives for early proselytizers to create an appealing product, one based not only on theological public goods, but also on an attractive set of club goods available to members. Christianity expanded because it opened club membership to all: Gentile and Jew, citizen and slave, man and woman. But membership required a set of behavioral changes. One could no longer participate in the rather bacchanalian pagan festivals and many Christians changed their names (as Saul of Tarsus did). Like Mormons or Jehovah’s Witnesses who cannot drink, these behavioral traits served to bind the members to the group as they tended to limit outside activities. This in turn enhanced the club goods. Christians were admired for sticking together. In a society of profound inequality and injustice they offered fellowship and social assistance. This became obvious in the creation of charities to feed the destitute, assist widows and orphans, redeem prostitutes, and nurse the sick and abandoned, especially during plagues (Stark, 1996: 73–94). While many of these “good deeds” were offered to non-Christians, thereby enhancing the credibility of the organization in the eyes of non-members, it also became readily apparent that belonging to this Christian “club” provided benefits well beyond the behavioral costs. Pagan groups with open commitments and low entry costs created huge free riding and shirking problems and

eventually found that they could not effectively compete with the club benefits offered by Christianity (Stark, 1996: 196–208).<sup>25</sup>

Christianity did not bring about a Kingdom of God on Earth, as so many of Jesus' followers desired. But Christianity does seem to have helped restabilize Roman society and improve social conditions. It achieved this in two ways that are tremendously relevant to the work of NGOs in contemporary societies. First, the Church created a network of charitable institutions and provided social assistance to the destitute. Urban conditions improved. Christianity also seems to have improved the status of women, suppressed sexual commerce, regulated the treatment of slaves, and encouraged charity. Second, Christianity provided a vehicle by which newcomers could be integrated into the imperial society. Through its missions to Hellenized Jews, to the barbarians on the Roman borderlands, and among recently arrived immigrants, Christianity spread literate culture and Greco-Roman civilization to the peoples of Europe.

But Christianity was not left unchanged in the process. Under the motto "One Emperor, One Empire, One Church," Constantine's conversion began the evolution of a religious movement into a *state church* based on a single set of Orthodox doctrines, state patronage, and the power to persecute "heretics" and deviants. Bishops became, in effect, princes of the Church. The established Church went from being a dynamic activist group championing simple people and humility, to one fully invested in the majesty of the imperial state. In part, this was beneficial to officials of the Church as they received guaranteed funding and protection from the state, which collected tithes from people forcibly. Unfortunately, though, the Church lost its collective dynamism. With an end to voluntary membership and tithing, shirking became a major problem. Efforts to overcome this problem and "reform" the Church of its corruption continued by devoted adherents and zealots for centuries until Martin Luther led a successful revolt that reintroduced organizational pluralism into Christianity and reinvigorated its parishioner base (Stark, 2003: 15–119). Leaving the European story to be told by others, we now turn to another tale of religious advocacy that succeeded centuries later and a half a world away.

### *Protestant advocacy in Latin America*

From the time of the Conquest in the early sixteenth century, Latin America has always been thought of as a Catholic continent. The

<sup>25</sup> The upkeep of pagan temples and the provision of pagan festivals were not shared widely among adherents, but rather these costs were borne by only a few wealthy patrons (MacMullen, 1981: 112).

Roman Church maintained a strict monopoly over the provision of religious goods and services throughout the colonial era with the assistance of the Spanish and Portuguese crowns. Following independence from Iberia in the early nineteenth century, Catholicism remained the most prominent faith in the region despite a series of successful attempts by republican governments to weaken its organizational structure, largely by the confiscation of Church wealth. However, by the last two decades of the twentieth century, scholars were surprised by the “sudden” appearance of a substantial number of evangelical Protestants and Pentecostals in a number of countries, including Brazil, Chile, Nicaragua, and Guatemala (Martin, 1990; Stoll, 1990). Estimates of their penetration in these four countries by the end of the century ranged from 15 to 25 percent (Barrett, Kurian, and Johnson 2001). Protestant growth in the other countries in the region was occurring as well (Chesnut, 2003). If one considers Protestant missions and indigenous churches to be advocacy groups pushing their “brand” of Christianity, the success of these advocates in “Catholic-dominated” territory is nothing short of astonishing. How were Protestants able to get a toehold in the region?

The answer to the above question, not surprisingly, fits well with the religious economies perspective and mirrors the reasons for early Christian success. Some things never change. Protestants succeeded in Latin America by exploiting both a growing environment of religious freedom in the early 1900s and the organizational weakness of the Catholic Church. Being “strangers in a strange land,” their success also depended upon the ability to convince potential converts that their message was credible. This was accomplished by enduring persecution, doing good deeds and indigenizing the movement. Finally, just like early Christians, Latin American Protestants grew with organizations that provided an attractive set of club goods for those who were willing to abide by a strict set of behavioral standards. In the process of making inroads into the continent, Protestant competition provided a strong incentive for the Catholic Church to reinvigorate itself, becoming a much more effective “advocate” for its own parishioners.

The first step in becoming a successful religious advocate group is having the freedom to champion your ideas. The turbulence that followed Latin American independence in the 1800s created small cracks in the regulatory policies that favored the Catholic Church. While Catholicism was still the preferred religion, a number of governments – particularly those wishing to establish trade relations with the United States and Europe – grew more tolerant of visiting Protestants (Gill, 2007: 136–138). This first allowed the establishment of “ethnic” Protestant churches to serve the needs of foreigners but eventually some missionary groups

began getting a foothold in the region. While the Catholic Church was irritated by these developments, national governments generally (with a few exceptions) considered missionaries harmless and allowed them to go about their lives with minimal interference.<sup>26</sup> Local persecution did occur as will be detailed below, but religious freedom tended to expand at the national level in most countries as the twentieth century wore on (Gill, 2007). A big shift in attention by missionaries occurred in the 1930s when Asian mission fields became too dangerous because of Japanese military expansion. Missionaries typically went to places where earlier missions had proved successful and in the 1930s and 1940s the expansion of evangelical Protestantism took wing.

The success of Protestantism was first conditioned by the general weakness of the Catholic Church. Having relied upon government assistance to ensure their dominance for centuries, the Church lacked a strong connection to its parishioners. While guaranteed funding was cut during the 1800s for several national churches, bishops tended to devote their scarce personnel to serving the upper classes in the cities, since that was where the most money was. As such, the Church tended to rely upon a small handful of donors to fund an organization that ostensibly was meant to serve the entire population. Since the majority of the population was poor and the Church did not seek actively to engage them in participation (in large part because of a significant shortage of clergy), most of the population became free riders on Catholic theology by default. They received the overall blessings and spiritual message of the Church, but did not have to contribute financially or actively attend Mass. When missionaries entered the region, they found the easiest pickings among those who were least connected to the Church – the rural and urban poor. Although the Protestants demanded attendance, financial contributions, and voluntary labor to support their new churches, they also provided an opportunity for fellowship and other club goods that the Catholic Church had failed to provide for so long. We shall discuss these club goods momentarily.

One of the biggest problems faced by these foreign missionaries was the problem of credibility. Why would an indigenous Latin American want to join a church run by some “gringo” speaking in broken Spanish? Like early Christians in the Roman Empire, Protestant missionaries had to find ways to invest in the trustworthiness of their organizations so as to

<sup>26</sup> There were a number of instances where the national government did prosecute and/or evict Protestant missionaries, particularly in Argentina and Colombia. Most government persecution of missionaries occurred at the local level at the behest of a parish priest or bishop. See Gill (1998) for a discussion of this persecution.



convince potential members that their “credence goods” were worth purchasing. And like early Christians this was accomplished through strong witness in the face of persecution and by performing good deeds. While national governments were less willing to persecute Protestants for proselytizing, local governments or communities would often be whipped up into a persecuting frenzy against missionaries, who would have their houses ransacked, their possessions seized, and their families harassed. A number of missionaries even suffered physical aggression (Goff, 1968; Gill, 1998: 93–94). But like St. Paul, these missionaries demonstrated a no quit attitude that sent the signal to potential adherents that the goods they were peddling were worth the price.

Another creative method of enhancing credibility came in the form of indigenizing the movement. Blonde-haired, blue-eyed missionaries would always be treated with a bit more mistrust than somebody from the local town. Where missionary movements were able to recruit local residents to staff their churches, membership soared. Credibility comes with familiarity, and evangelical Christians used this to great advantage whereas the Catholic Church relied heavily on imported priests from the United States and Europe (Gill, 1998: 86).<sup>27</sup> Beyond this, Protestants excelled at doing good deeds to build trust. Foreign missionaries and indigenous pastors would help with community works projects such as digging wells or irrigation ditches. They would care for the sick and provide free immunizations. And oft-times they would provide education to children and adults in towns where such opportunities were limited. Indeed, it could be easily argued that evangelical Protestants had a “preferential option for the poor” long before their Latin American Catholic counterparts did (Cook, 1985).

In addition to building credibility to win converts, evangelicals excelled at providing a number of attractive club and private goods for members, thereby making their groups more attractive than Catholic parishes. These club goods included social insurance for economic losses: members of the evangelical community would pool their resources if one of their spiritual brothers or sisters was in need. Members were also provided with self-help groups, available only to members, aimed at reducing drinking, gambling, and other sorts of destructive behavior (Brusco, 1995). Simple fellowship

<sup>27</sup> One significant advantage that evangelicals, and particularly Pentecostals, have over Catholics is the time and cost it take to train clergy and put them in the field. Becoming a Catholic priest largely requires a high-school degree and an additional five to seven years of seminary training. Pentecostal ministers are generally trained via informal apprenticeship while attending services, need not be formally educated, and can be sent out to plant their own church within a year or two of being identified as a congregational leader (Chesnut, 2003: 56–59).



was also largely attractive. Catholicism tends to be a more priest-centric religion where the congregants take a secondary role. And until the mid 1960s, Catholic Mass was still widely recited in Latin, a language only understood by the clergy (and then not by all of them). This created a sense of formalism and isolation within the parish. Evangelical and Pentecostal services, by contrast, heavily involved the laity and included communal confessions and enlivening music. The lay involvement in religious services provided many individuals with valuable leadership skills that directly translated into the working world, yet another attractive club good (Chesnut, 1997).

These club goods did not come free, however. Membership in evangelical and Pentecostal congregations generally required significant behavioral modifications that would set an individual apart from their Catholic neighbors, hence increasing the costs of ostracism and sometimes even exposing them to physical attack. In southern Mexico, Protestants who opted out of mandatory payments for Catholic fiestas became the target of violent assaults on property and person (Isáis, 1998). Like behavioral and dress codes for Orthodox Jews, Jehovah's Witnesses, and Mormons, these restrictions had the effect of limiting a member's outside social activities. As per Iannaccone's (1992) prediction, these sacrifices and stigmas filtered out any potential free riders at the outset. This, in turn, meant that the members of the church would be more likely to participate in collective activities, thereby enhancing the quality of the public goods provided. When outsiders viewed the huge benefits that members received, they were more apt to pay those initial behavioral costs and join the group. The movement grew exponentially and continues to be remarkably vibrant today.

It was not only the Protestants that benefited directly from their own work. These advocates for a new religious tradition in Latin America spurred the old tradition to consider new techniques. The competitive pressure from evangelicals that arose in religiously deregulated markets forced the Catholic Church to pay closer attention to its own adherents lest they lose them to their competitors (Gill, 1998). While Catholic bishops initially tried to get governments simply to ban Protestants in the mid twentieth century, this strategy proved impractical as governments were naturally reluctant to punish good citizens. By the 1960s, though, the Catholic Church began adopting many of the practices of Protestant missionaries and Pentecostal communities. They bolstered their offerings of club goods such as literacy groups designed after Protestant missions. They even began offering greater opportunities for lay leadership and fellowship. The charismatic Catholic movement in Latin America is an effort by the Church specifically to imitate the pastoral

techniques of Pentecostals – and it is working (Chesnut, 2003: 64–100). It quickly became apparent that the Catholic Church was a more vibrant organization after it found methods of involving the laity in the production of these club goods and relied less upon the support of the government for their funding. Finally, Catholic Church officials began reinvesting in the credibility of their own organizations by creating programs designed to show greater pastoral care for the poor whom they had long neglected.

### *Muslim advocacy in the United States*

The same competitive factors that explain religious vitality historically and comparatively can help to explain why religion can serve the most important vehicle for immigrant integration into a new society and polity. This general statement applies not only to religions common to the sending and receiving country, but to “newcomer” religions as well. The case of Islam in the United States offers something close to a “natural experiment” in how religious deregulation promotes both religious vitality and the development of advocacy organizations that promote immigrant interests.

The Muslim population of the USA grew substantially with changes in immigration law after 1965, leading to more than 1 million Muslim immigrants, chiefly from Arab countries and the Middle East, South Asia, Iran, Sub-Saharan Africa, and Southeast Asia (in that order), entering the country between 1965 and 1997 (Nimer, 2002: 25; Pew, 2007). There are more than 2 million Muslims in the United States (Smith, 2002; Pew, 2007). This pattern of migration has given the country the most ethnically diverse Muslim population in the world (Read, 2008). This ethnic diversity, combined with the fact that religious life is heavily regulated in all majority Muslim societies but deregulated in the USA, has led to a flourishing of Islamic diversity. The result is substantial competition for influence and support among Muslim clergymen and leaders that sprawls across various liberal, traditionalist, reformist, and Islamist positions.

The resulting pluralism within American Islam has promoted innovation and openness to discovery that has allowed intellectuals and theologians to address the compatibility of Islam with democracy, Muslim respect for human rights, and the toleration of diversity (Esposito, 2007). Leonard (2003: 159) reports an Indian American Muslim scientist declaring that “internally, it [the USA] is the most Islamic state that has been operational in the last three hundred years . . . the existence of a Muslim public sphere where Muslims can think freely to revive and practice Islam is a gift to Muslims.” Similarly, the former president of

the Association of Pakistani Physicians in North America declared: “In this country, Muslims have the opportunity to practice Islam as it should be practiced because there is no government edict to restrict religion, nor is there sectarian control over belief” (159). Nimer sums up the opinion of moderate Muslim leaders that, despite the fallout from the 9/11 attacks, “America is the land of promise for Muslims.”

In the United States, Muslim immigration is primarily driven by educational and economic opportunities, especially in the fields of healthcare, science, and engineering (about 50% migrated for these opportunities), as well as the seeking of refuge from persecution and conflict (20%) (Pew, 2007). This means that Muslim immigration is drawn disproportionately from resourceful sections of the society of origin (Nimer, 2002: 36–37). Muslim immigrants and their offspring generally enjoy relatively high income and educational levels; the share of Muslim adults identifying as White or Asian (65% of all Muslim adults) who were college graduates in 2001 was 52% – 19% above the US average. More than 40% of American Muslims rate their financial situation as “excellent or good” and about 70% believe that people who work hard get ahead in the USA (Pew, 2007).

Unlike the situation that obtains in much of Europe, American Muslims are not highly concentrated into urban ghettos. American Muslims of Arab and Middle Eastern origins are largely suburban residents living in mixed districts in the New York, Washington, Detroit, San Francisco, and Los Angeles metro areas (Nimer, 2002: 36–37). And while African-American Muslims and African-born Muslims are relatively disadvantaged, about two-thirds of Muslims in the USA can be considered prosperous suburbanites. Like culturally distinctive immigrant groups before them, in America Muslims and their offspring have built their communities around religious associations that provide a link with the “homeland” and a basis for group advocacy in the new country (Breton, 1964; Hirschman, 2004). And, much like other fairly prosperous suburbanites in the USA, American Muslims have been especially drawn to religiously conservative, congregationally organized religion as a vehicle for their public identities and interests.

In other words, neither the predominant forms of Muslim organization nor the conservatism of many of the leading religious organizations stands out as distinctive in the USA. More than three-fourths of Americans identify with a religious group and nearly 60% belong to a religious organization. Kosmin and Mayer (2001) have found that about 60% of Muslim Americans report belonging to a mosque, which is about the same as the share of American Christians that report church membership. And just over a fifth

(20.6%) of Muslims report mosque attendance at least once a week, substantially below the level of reported weekly church attendance in the USA (*c.* 45%). While there are differences in beliefs and values between Muslims and adherents of other faiths, the religiosity of American Muslims is not particularly noteworthy in the USA.

Recent organizational surveys estimate that there are about 1,200 mosques and prayer rooms in the USA (Kosmin and Mayer, 2001; Nimer, 2002). Most have been established by Muslim nonprofit organizations that, in addition to establishing mosques and places of worship, also offer language instruction, charitable assistance, cultural outreach, academic parochial schools, and religious training. In the USA the usual form of governance in mosques is congregational and locally oriented. As Nimer (2002: 47) reports, while some mosques are registered as places of worship, others are chartered under laws regulating the operation of nonprofit organizations. As private entities, these centers answer to their own boards. Local community leadership typically includes boards of directors or trustees, usually including the founding members, executive officers and imams. In addition to the directors and hired staff most activities in the Islamic centers are planned and supervised through volunteer committees, whose level of commitment usually determines the vibrancy of mosque life.

In many cases, American Muslim congregations are “not very large and usually do not have full-time imams; some hire part-time employees for the job” while others “assign these duties to the most learned mosque member willing to volunteer his time” (Nimer, 2002: 47–48). Most American Muslim congregations were established by members of particular ethnic groups and remain primarily associated with that ethnicity; nevertheless, few (10%) report being ethnically exclusive (Nimer, 2002: 49).

Nimer’s description of organized American Muslim religious life is virtually indistinguishable from that of other congregationally organized religious groups in the United States and bears a close resemblance to the experience of other immigrant groups. In fact, the description of the local governance and widely varying attitudes toward professionalized clergy is comparable to American Protestantism, which ranges from mainline denominations staffed by seminary graduates through non-denominational churches with lay clergy. Likewise, the provision of parochial schooling is a classic feature of America’s immigrant religious organizations and, in establishing a growing sector of religious schools of their own, Muslims have followed on the ground trod by Roman Catholics, Jews, and Missouri-Synod Lutherans, among others. In 2001, Nimer (2002: 54–55) already identified more than seventy full-time Muslim private schools enrolling up to 30,000 students in the range from Kindergarten to Level 12.

Many Muslim organizations in the United States aspire to fill the role described by Breton's (1964) classic depiction of a self-organizing immigrant community, with a church, synagogue or mosque serving as a ubiquitous feature of the immigrant experience in the USA. The immigrant center of New York City with about 400,000 Muslim residents has more than seventy registered mosques and prayer rooms and at least fifty Muslim advocacy organizations. These have a variety of issue focuses in areas such as education (15 organizations), ethnic affairs (13), media (7), college student associations (7), religious liberties (4), and social services (2) (Nimer, 2002: 255–266). The Imam Al-Khoei Foundation located in the Jamaica section of Queens is an example of the variety of roles that Muslim advocacy organizations play. This Shiite organization offers a diverse range of services to adherents that includes prayer rooms, a conference center, a medical clinic, a parochial school, a Saturday school for religious and Arabic language instruction, a library, a monthly newsletter, prayer timetables and moon sightings, marriage counseling, family dispute resolution, the coordination of charitable giving, Islamic funeral services, and a question-and-answer service for the faithful ([www.al-khoei.org](http://www.al-khoei.org)).

Nimer (2002: ix–x) identifies about two dozen Islamic organizations operating at the national level, ranging across the ethnic, theological, and political spectrums. Many of these are organized as national peak, or umbrella, organizations based on a federation of local congregations and cultural centers. Some of the most prominent include the Islamic Society of North America, the largest umbrella group, a multiethnic association of Muslim professional and youth groups that grew out of the largely Arabic Muslim Students' Association; the Islamic Circle of North America, largely composed of South Asian groups concerned with education, public affairs, and lobbying; the Muslim American Society, a federation of mosques focused on education and cultural affairs with an agenda said to be strongly influenced by foreign Islamism; and the Nation of Islam – W. D. Mohammed, the Sunni branch of the African-American Muslim community (Nimer, 2002: 71; Leonard, 2003: 151).

In addition, American Muslims have founded nationwide political lobbying organizations, including the predominantly South Asian American Muslim Alliance, the Muslim Public Affairs Council, the American Muslim Council, the Council on American-Islamic Relations, and the American Muslim Political Coordinating Council (AMPCC) umbrella group (Leonard, 2003: 151). Prior to 9/11, some Muslim political leaders were responding to the agenda of the Republican Party, particularly the emphasis on business ownership, family values, and faith-based initiatives. Indeed, in the 2000 election, AMPCC, the largest

political organization of American Muslims, endorsed George W. Bush's presidential candidacy (153). Nimer (2002: 173) considered this indicative of political maturity and willingness to integrate into American institutions: "Muslim leading organizations are increasingly expressing views based on their own strategic interests as American Muslim citizens who earn a living in North America." Nevertheless, this endorsement was neither repeated nor courted in the 2004 national election.

In general, American Muslim advocacy organizations at the national level engage in a range of initiatives including religious liberties, Muslim civil rights, international relief, domestic charities and social services, refugee assistance, health and welfare services, education and outreach, and press and media affairs. Most American Muslim congregations are not closely associated with a particular school of Islamic thought and, beginning in the 1990s, some Muslim leaders intentionally distanced themselves from foreign sponsors. Rather, many prominent voices in Muslim advocacy call for the elaboration of a specifically American Islam and are making "conspicuous efforts to bring Muslims into US public life" (Leonard, 2003: 153).

Daniel Olson (2007: 10) summarizes much of the recent literature on religious diversity and congregational life aptly: "In America, people are free to belong to an unusual religion without being considered un-American. In these religious spaces, people are free to construct their own unique subcultural identities, interact with others like themselves, and even speak their own language without pressure from others to conform." In the United States, Islam takes on the characteristic organizational forms and theological diversity previously observed in other American immigrant religions (Casanova, 2007; Esposito, 2007). For the most part, Muslims have taken up their place in a diverse religious landscape as have other religious newcomers; indeed, surveys indicate that, even after 9/11, Americans have the greatest contempt not for "foreign" religious minorities but for those that reject religion altogether (Edgell, Gerteis, and Hartman 2006). In short, organized Islam has been an important voice for asserting the interests and identities of Muslims and has certainly eased their integration into American polity and society.

### **Conclusion: Lessons from the economics of religion**

No one could expect secular advocacy groups to mimic the success of early Christians by feeding some of their organizational leaders to the lions. Nor would prohibiting members of these same groups from drinking be a smart policy to implement. In some ways, the organizational

methods used by successful spiritual denominations are unique to religious organizations. Nonetheless, the techniques employed by churches to attract and retain members, and to limit free riding and shirking, do indicate some general points to think about in the study of advocacy groups. Successful religious groups historically have excelled in generating committed memberships that share a common philosophical (or theological) goal that is not always achievable in the short run. Given that advocacy groups by their very nature are advocating some sort of improvement for humanity at large or their constituents specifically, the issue of the credibility of the group's message takes on central importance. Members will not join, nor will they contribute wholeheartedly, if they do not believe the promise they are hearing from the advocacy group. Enhancing such credibility will involve behaviors and signals by the leadership that they can be trusted with donations, and that they will not abuse the volunteer labor that they request. Credibility may also include showing short-term successes in areas not necessarily related to the greater cause, something akin to doing "good deeds" by churchgoers.

And while many advocacy groups such as the Sierra Club and the National Rifle Association are involved in producing public goods for a large constituency (nature lovers or gun owners), they also need to be aware of the nature of the club goods that they provide. Advocacy groups can provide not only a basket of private goods (e.g. nifty calendars) for members, but also some club goods that give an incentive for greater participation among members. Those groups that tend to provide a mixture of private, club, and public goods will be more successful in the long run than those that merely focus exclusively on either the public or private goods they provide. Indeed, an exclusive focus on ideologically generated public goods without some attention to private goods will result in anemic participation over time (cf. Gill and Lundsgaarde, 2004). Finally, it needs to be recognized by scholars that advocacy groups will be most effective when they are able to secure the voluntary collective participation of their membership in terms of monetary contributions or donated time. Advocacy groups that rely upon the coercive force of a government to help them meet their financial obligations may meet their goals in the short term, but will invariably lose the organizational connection to the people that they need the most – the ones that believe in their cause. Acting in good faith will always motivate faithful acts. Amen.<sup>28</sup>

<sup>28</sup> QED for the secular readers.



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