Economist.com **Articles by subject: Topics: Economics**

ECONOMICS FOCUS

Economics focus

Wealth from worship

Dec 20th 2005
From The Economist print edition

An economist finds that going to church is more than its own reward

AT CHRISTMAS, many people do things they would never dream of the rest of the year, from giving presents to getting drunk. Some even go to church. Attendance soars, as millions of once-a-year worshippers fill the pews. In Britain, where most weeks fewer than one person in ten goes to church, attendance more than triples. Even in America, where two-fifths of the people say they go frequently, the share climbs in December.

Some of the occasional churchgoers must wonder whether they might benefit from turning up more often. If they did so, they could gain more than spiritual nourishment. Jonathan Gruber, an economist at the Massachusetts Institute of Technology, claims that regular religious participation leads to better education, higher income and a lower chance of divorce. His results* (based on data covering non-Hispanic white Americans of several Christian denominations, other faiths and none) imply that doubling church attendance raises someone's income by almost 10%.

The idea that religion can bring material advantages has a distinguished history. A century ago Max Weber argued that the Protestant work ethic lay behind Europe's prosperity. More recently Robert Barro, a professor at Harvard, has been examining the links between religion and economic growth (his work was reviewed here in November 2003). At the microeconomic level, several studies have concluded that religious participation is associated with lower rates of crime, drug use and so forth. Richard Freeman, another Harvard economist, found 20 years ago that churchgoing black youths were more likely to attend school and less likely to commit crimes or use drugs.

Until recently, however, there was little quantitative research on whether religion affects income directly and if so, by how much. A big obstacle is the difficulty of disentangling cause and effect. That frequent churchgoers have higher incomes than non-churchgoers does not prove that religion made them richer. It might be that richer people are likelier to go to church. Or unrelated traits, such as greater ambition or personal discipline, could lead people both to go to church and also to succeed in their work.

To distinguish cause from coincidence, Mr Gruber uses information on the ethnic mix of neighbourhoods and congregations. Sociologists have long argued that people are more likely to go to church if their neighbours share their faith. Thus Poles in Boston (which has lots of Italian and Irish Catholics) are more likely to attend mass than Poles in Minneapolis (which has more Scandinavian Protestants). Measuring the density of nationalities that share a religion in a particular city can therefore be a good predictor of church attendance.

But ethnic density is not wholly independent of income. Studies have found that people who live with lots of others of the same ethnic origin tend to be worse off than those who are not "ghettoised". So Mr Gruber excludes an individual's own group from the measures, and instead calculates the density of "co-religionists", the proportion of the population that shares your religion but not your race.

According to Mr Gruber's calculations, a 10% increase in the density of co-religionists leads to an 8.5% rise in churchgoing. Once he has controlled for other inter-city differences, Mr Gruber finds that a 10% increase in the density of co-religionists leads to a 0.9% rise in income. In other words, because there are lots of non-Polish Catholics in Boston and few in Minnesota, Poles in Boston both go to church more often and are materially better off relative to, say, Swedes in Boston than Poles in Minnesota relative to Swedes in Minnesota.

Mr Gruber finds little evidence that living near different ethnic groups of the same faith affects any other civic activity. Poles in Boston are no more likely to join secular organisations than Poles in Minnesota. Since general differences between cities are already controlled for, that leads him to conclude that it must be religious attendance that is driving the differences in income.

Looking for a cause

Other economists, though they think Mr Gruber's approach is clever, are not sure that he has established a causal link between religious attendance and wealth. So how might churchgoing make you richer? Mr Gruber offers several possibilities. One plausible idea is that going to church yields "social capital", a web of relationships that fosters trust. Economists think such ties can be valuable, because they make business dealings smoother and transactions cheaper. Churchgoing may simply be an efficient way of creating them.

Another possibility is that a church's members enjoy mutual emotional and (maybe) financial insurance. That allows them to recover more quickly from setbacks, such as the loss of a job, than they would without the support of fellow parishioners. Or perhaps religion and wealth are linked through education. Mr Gruber's results suggest that higher church attendance leads to more years at school and less chance of dropping out of college. A vibrant church might also boost the number of religious schools, which in turn could raise academic achievement.

Finally, religious faith itself might be the channel through which churchgoers become richer. Perhaps, Mr Gruber muses, the faithful may be "less stressed out" about life's daily travails and thus better equipped for success. This may make religion more appealing to some of those who turn up only once a year. But given that Jesus warned his followers against storing up treasures on earth, you might think that this wasn't the motivation for going to church that he had in mind.

---

* "Religious Market Structure, Religious Participation and Outcomes: Is Religion Good for You?", NBER Working Paper 11377, May 2005