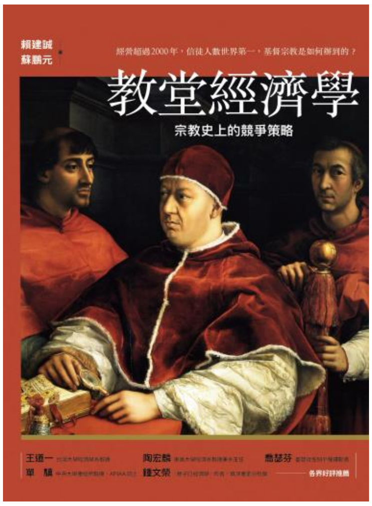
CHURCH ECONOMICS: COMPETITIVE STRATEGIES FROM THE HISTORY OF RELIGION
教堂經濟學：宗教史上的競爭策略



Category: Social Science

Publisher: Owl

Date: 9/2017

Rights contact:

booksfromtaiwan.rights@gmail.com

Pages: 336

Length: 120,000 characters (approx. 84,000 words in English)

Material: Sample

Rights sold: Simplified Chinese (Truth & Wisdom Press)

How can we best understand and explain the changing environment of world religions over the centuries? While you might not think the answer is "with economics," this book will show you why you should. Lai Cheng-Chung and Su Peng-Yuan use market economics to deconstruct the changing state of religion in our world.

Religious organizations have long described themselves as a spiritual alternative to the market-dominated world, but when Lai Cheng-Chung and Su Peng-Yuan apply the laws of economics to organized faith, they get some remarkable results. The authors ask some basic but important questions: What makes some religions more popular than others? Why did Christianity become more popular than its older brother, Judaism? And why did some of the great European cathedrals take decades – and sometimes centuries – to build?

Taking Christianity as case study, the authors examine how it made itself competitive in its earliest years of development and examine how the strictness of its principles affected its attractiveness to the "market" of believers. They also analyze the ways in which Christianity cemented its influence in society and politics by tailoring its product and strategy, and how both are now losing their grip on modern consumers of religion.

While the book does employ rational methods of economic analysis, it is not intended to refute the value of religion. To the contrary, the authors point out that religion's persistent and far-reaching effect on human society – which has periodically advanced human civilization – is the very thing that makes it worthy of study.

Lai Cheng-Chung 賴建誠

Lai Cheng-Chung received a Ph.D. from the School for Advanced Studies in the Social Sciences in Paris, and was a visiting fellow at the Yenching Institute. He taught the history of economics and economic thought for many years at National Tsing Hua University, where he is now a Professor Emeritus. In addition to his many academic publications, he has also written several introductory books for general audiences like *What's Interesting about Economic History*.

Su Peng-Yuan 蘇鵬元

Su Peng-Yuan is a senior contributing editor at *CommonWealth* magazine, involved in scouting new titles in economics, editing, and translation.

CHURCH ECONOMICS: COMPETITIVE STRATEGIES FROM THE HISTORY OF RELIGION

By Lai Cheng-Chung, Su Peng-Yuan
Translated by William Sack

CONTENTS

Appendix: Evolution and Society

19. Do only humans have religion?
20. Does religion aid human evolution?
21. Why does mass society require mass religion?

Chapter 1: Is competition and a more open religious marketplace always better?

Many people associate the study of economics with the concept of free-market economics, a theory which suggests that more competition leads to more diverse goods, better quality, lower prices, and a broad scope of social benefit. Were we to conceptualize the world of religion as a marketplace, with faiths replacing commodities, would we not observe the same phenomenon?

Theories of Competitive Prosperity and Decline

If we look closely at the "intangible products" offered by various global religions, each has its own unique specialty. Buddhism offers reincarnation into subsequent lives, in the hope that believers will do good things in this one. Only in the next life will there be a chance to escape the cycle of birth and death. Christianity emphasizes faith in Jesus, and how that gains redemption – that is, going to heaven after death. These products are invisible and intangible, and they cannot be priced, traded, accumulated, or invested; nor are they profitable or obtainable in the short term. Indeed, they will only be honored after death. This kind of commodity, in which things are paid for now and potentially delivered later, is called a "futures commodity" in economics.

So, how does one finally acquire these goods such as going to heaven or escaping *samsara*? All religions are premised on certain rules of social morality. Christianity has its famous Ten Commandments, which obliges believers to abide by ten disciplines, including: thou shalt have no other God besides the Lord thy God, before whom you shall have no other gods; Thou shalt not take the Lord's name in vain; thou shalt remember the Sabbath and keep it holy; honor thy mother and father; thou shalt not commit murder; thou shalt not commit adultery; thou shalt not commit theft; thou shalt not provide false witness, thou shalt not covet.… Buddhists likewise have the five injunctions and ten behests: no killing, no stealing, no lechery, no lies, no doubletalk, no evil words, no flowery language, no avarice, no wrath, no being judgmental…

Because of these overlaps, if religious products behave like ordinary goods – such that, when there is more competition, prices will fall, quality will rise, and society will be better served – then when a society is open to competition between many religions or denominations, each group will guide many people to live by moral standards. People's minds will incline towards goodness, and society will be more harmonious.

That is the gist of my theory of prosperous competition: religious pluralism positively correlates with religious participation. In other words, the more diverse a society's religious sphere, the more active those religions will be, and the greater their penetration into society. In the terminology of economics, religious supply can produce its own demand. As that supply rises, so will demand naturally increase.

Those who favor this theory of prosperous competition believe that although religion and industrial commerce are superficially different (intangible products vs. tangible products, unpriced vs. price-competitive), the deeper principles are similar. They bear out the predictions of "market model" and "rational choice" theory, core tenets of liberal economics; and thus their similarity receives the enthusiastic support of economists of religion.

However, the traditional view is exactly the opposite. Before the rise of competitive prosperity theory, mainstream sociologists of religion believed that religious diversity negatively correlates with religious participation. In other words, as society's religions diversify, their religious participation decreases. This is the theory of competitive decline, and it is based primarily on the work of sociologist of religion Peter Berger, whose argument for it is the most famous. In *The Sacred Canopy: Elements of a Sociological Theory of Religion*, he argues that only in places with a unitary faith can there be a "sacred canopy" that binds widespread confidence and identification. A mixed-faith environment produces a crisis of plausibility, causing the common believer to shake their religious belief.

Peter Berger believes that people primarily adhere to a religion as a source of identity. However, different religions have different, frequently contradictory beliefs. Open competition allows the general public more choices, weakening the authority of religion. Therefore, he avers that the more open the religious market, the less the public will trust each religion, and a reduction in religious participation should follow.

Asian Countries' Religions are the Most Diverse

Given the complexity of the issue, it would be best to look first at the actual situation of religious markets in various countries. The Pew Research Center in the United States has a Religious Diversity Index that measures the diversity of religions with methods derived from industrial economic surveying.

When the Pew Research Center investigates the beliefs of people in various countries, they use religious divisions such as Christianity, Islam, Hinduism, Buddhism, folk religion, Judaism, and other religions. They also have "no religion" as a response option. The underlying principle is simple: the more even distribution is between religions, the higher a country's Religious Diversity Index. A country in which there were only one religion would receive the lowest score.

The survey spanned 232 countries across six regions, and the results were very interesting. According to the latest (April 2014) survey, countries in the Asia-Pacific region have the highest diversity index, followed by sub-Saharan African countries. Nations of moderate diversity are found in Europe and North America. The least diverse are in Latin America and the Caribbean, followed by those in the Middle East and North Africa.

The United States is predominantly Christian, even with 16.4% of the population identifying as non-religious, putting their religious diversity index in the middle range. Asian countries such as Singapore, Taiwan, South Korea, Hong Kong, and China have an especially high diversity index because no religion constitutes a monopoly.

National Religions vs. Pluralism

Some argue that smaller church sizes correlate to a higher degree of homogeneity and stronger centripetal forces, which strengthen internal cohesion and improve the group's chances of survival. Small is beautiful, in other words. Others argue that the larger a church is, the more external pressure it can withstand – that is, big is beautiful. If we adhere solely to these modes of thinking, we can't evaluate religions' market shares, or what manner of religious distribution is best for a society.

Let's use a neutral example: There are ten religions in a Country X, and each religion has a 10% market share. Country Y has two religions, in which 90% of believers are of Faith A and 10% are Faith B. You may intuitively think that B is at an absolute disadvantage. However, relatively speaking, Faith B and all the religions of Country X have the same size share, 10%, so – would you've more in favor of the religious structure of this country X (10%, with no larger or smaller denominations), or Country Y's religious structure (90% vs. 10%)? If you believe competition is a good thing, then you will definitely be biased towards A, which has no "bullying" problem between different denominations. Yet, by the same reasoning, in countries with one hundred religions, each ought to have a market share of 1%; should there be as many as 10,000 religions, each should command no more than 0.01%! Of course, this is taking competitive prosperity theory to its extreme. Were we to push competitive decline theory to its extreme, it would advocate that a single country should have but one religion. The market share of this religion would be 100%, and no other religion would exist.

In actuality, one religion per nation is the historical norm, while one country with 10,000 faiths has never existed. Table 1-1 shows that in Singapore, which has the highest religious diversity, the three major religions of Buddhism, Christianity, and Islam have a combined market share of 66.4%, making it effectively "one country, three religions." Islam's market share in most Arab countries is over 90%. The diversity index is middle range for the United Kingdom, United States, and Russia, where the market share of the largest religion is over 70%. Is it not true that the more competition, the stronger the religion, the better its quality, and the better it is for society? Why are religious markets in most countries characterized by monopoly or oligopoly?

Half or All is the Norm in Religious Markets

Examination of religious market shares in each country is insufficient to understand the relationship between pluralism and religious participation. Both theories can find support in the realm of logic, and many studies over the years have shown that both are reasonable.

In order to resolve this question, a professor at Duke University's Theological Seminary, Mark Chaves, and a professor of Sociology at Yale University, Philip Gorski, selected twenty-six studies published between 1987 and 2000. After statistical classification, they found a total of ten articles supporting competitive prosperity theory and eleven supporting competitive decline theory, while five articles held that the degree of competition will not affect the faithfulness of believers.

In order to explore more deeply, Chavez and Gorski gathered raw statistics from 26 authors, which they then merged with the 193 cases mentioned in published studies into a huge database. Their second calculation found that 86 cases (about 44.6%) clearly supported competitive decline theory, while 60 cases (31%) supported competitive prosperity theory. 47 cases (24.4%) did not clearly support either.

More stringent screening eliminated 77 more cases, and the results became more clear. Of the 116 cases, 23 (20%) supported competitive prosperity, 60 cases (52%) supported competitive decline, and 33 cases (28%) did not clearly support either.

This large-scale reevaluation indirectly supports three arguments:

First, the nature of the religious market makes it an unsuitable subject for the analytical tools of industrial and commercial economics.

Second, religions vary in nature as do their strategies: some perform better amidst diverse competition, and some grow in a less competitive environment.

Third, on the whole, the traditional view is that religious pluralism reduces participation rates. In light of the abovementioned large-scale statistical analysis, I admit this negative correlation is very likely real.