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of Religion to American Society:
An Empirical Analysis

Brian J. Grim*
Georgetown University
Washington, D.C.

Melissa E. Grim
Newseum Institute
Washington, D.C.

* Brian@religiousfreedomandbusiness.org

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Brian J. Grim
Georgetown University
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Melissa E. Grim
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Abstract

This article summarizes the first documented quantitative national estimates of the economic value of religion to U.S. society. Specifically, the study provides conservative, mid-range, and high estimates. The study's most conservative estimate, which takes into account only the revenues of faith-based organizations, is \$378 billion annually – or more than a third of a trillion dollars. By way of economic perspective, this is more than the *global* annual revenues of tech giants Apple and Microsoft *combined*. While this first estimate has the most concrete data, we believe that it is certainly an undervaluation because it focuses on annual revenues rather than on the fair market value of the goods and services religious organizations provide. Our second mid-range estimate attempts to correct for this in two ways: by providing an estimate of the fair market value of goods and services provided by religious organizations, and by including the contribution of businesses with religious roots. This mid-range estimate puts the value of religion to U.S. society at over \$1 trillion annually. Our third, higher-end estimate recognizes that people of faith conduct their affairs to some extent (however imperfectly) inspired and guided by their faith ideals. This higher-end estimate is based on the household incomes of religiously affiliated Americans, and places the value of faith to U.S. society at \$4.8 trillion annually, or the equivalent of nearly a third of America's gross domestic product (GDP). Finally, we discuss the limitations of this study and suggest several possible lines of research that could build upon and extend this research.

Religion is an active force in the public, professional and personal lives of many in the United States. Safeguards for religious freedom – including the First Amendment principles of having no established religion and protecting free religious practice – have helped to produce a dynamic religious marketplace, including the ability of each person to have a religion, change religions, or have no religion at all.

A solid body of research has explored the social contributions of religion, which range from increasing civic participation to ministering to spiritual, physical, emotional, economic and other life needs. Some studies have looked at the social benefits of congregations (Ammerman 2001; Cnaan et al. 1999; and Chaves 1999), including some that have attempted to quantify the social and volunteering benefits that congregations provide to communities (Tirrito and Cascio 2003). Other studies have looked at the role of local religious groups in promoting education and civic engagement (e.g., Regnerus 2001; Muller and Ellison 2001). Studies have also considered how religious participation and programs help decrease crime and deviance (Bainbridge 1989; Hummer, et al. 1999; and Lester 1987) as well as promote mental health (Johnson, et al. 2002; and Fagan 2006). And yet other studies have looked at how involvement in organized religion improves government stability and economic growth, with the primary mechanism being increased social capital and positive civic networks provided through congregational activities (also see Putnam 2000; Fukuyama 2001; Schwadel 2002; and Zak and Knack 2001).

A recent Supreme Court amicus brief (Picarello, et al. 2016) also catalogues a broad body of research specifically on the positive contributions faith-based organizations to the health and welfare of hundreds of millions of Americans. These include charities such as the Lutheran Services in America, which cares for six million people annually, or about one in every 50 persons in the United States, and Catholic hospitals, which care for one-in-six U.S. hospital patients. The amicus brief also summarizes studies where faith-based organizations have been found to outperform public counterparts. For instance:

Faith-based elementary and secondary schools make a distinctive contribution to the education of the Nation's children that public schools have been unable to match. In 2015, the combined average SAT score for students from religious schools was 1596 points, or 134 points higher than the average score of 1462 for public school students. [And s]tudents in religious schools are safer than students in public schools, as measured by fewer instances of violent crime and bullying. A higher percentage of students in religious schools report feeling safe from attack or harm in school compared to their public school peers (op cit: 20).

Of course, not every religious organization or group has the same level of impact, and not all of the impact is positive. Indeed, there are high profile cases where people in religious authority or acting in the name of religion have engaged in destructive activities. These negative impacts range from such things as the abuse of children by some clergy (Cafardi 2008), cases of fraud (De Sanctis 2015), and places of worship becoming recruitment sites for violent extremism (Neumann 2008), all of which detract from the other positive values of religious institutions. Of course, such serious ills affect a wide variety of institutions ranging from major public universities

(Moushey and Dvorchak 2013), to publicly traded companies (Gitlow 2005), to online public chatrooms (Erelle 2015). And, while negative news makes news, both sides are important to understand clearly.

Recent studies, such as Numrich and Wedam (2015), provide a more nuanced analysis of the community impact of congregations. In their study of 15 congregations in the Chicago area – including Catholic parishes, Protestant churches, Jewish synagogues, Muslim mosques, and a Hindu temple – they concluded that religion has a significant role in shaping postindustrial cities, although the impact varies from congregation to congregation. They also provide a helpful framework for analysis of the different types and levels of impact.

In a separate quantitative study on the effect of shutting down a congregation in an inner city, Kinney and Combs (2015) found that this precedes and contributes to the socio-economic collapse of the community in which the congregation was located. Specifically, their study found that declines in neighborhood viability were significantly related to the closure of congregations characterized by *bridging social capital*, i.e., congregations that connected heterogeneous groups and bridged diversity.

Understanding the socio-economic value of religion to American society is especially important in the present era characterized by disaffiliation from organized religion. The Pew Research Center study ‘Nones’ on the Rise,¹ for instance, reports that the number of Americans who are religiously unaffiliated now stands at one fifth of the adult population, while a third of adults under 30 are unaffiliated. Of the total unaffiliated, nearly 6% of the U.S. population identifies as atheist or agnostic, while 14% claim no particular religious affiliation. The Pew study found that a majority of the religiously unaffiliated say that they are ambivalent toward religious institutions and some express negative views of religious organizations. For instance, Pew found that a majority of the religiously unaffiliated think that religious organizations are too focused on such things as money and power, and on rules and politics.

At the same time, the Pew study also found that seven-in-ten religiously affiliated people believe that congregations and religious institutions contributed some or a great deal to solving social problems. However, only 45% of the religiously unaffiliated expressed the same. People who identified their religion as “nothing in particular” were evenly split on whether religious institutions were instrumental in solving social problems, while 63% of atheists and agnostics said that religious institutions contributed not much or nothing at all to solving social problems.

Given the division of opinion on religion’s contribution to American society, this present study seeks to shed light on the topic by making an estimate of religion’s socio-economic value to society. Indeed, we should know if the decline in religion is likely to have negative economic consequences.

In what follows, we provide three estimates of the value of faith to U.S. society. The most conservative estimate takes into account only the revenues of faith-based organizations falling into several sectors: education, healthcare, local congregational activities, charities, media, and food. Our second estimate takes into account the fair market value of congregational social services. This mid-range estimate includes a

¹ See <http://www.pewforum.org/2012/10/09/nones-on-the-rise/>.

review of nationally representative survey data on the activities of congregations across multiple faith traditions. It also recognizes the contribution of businesses with religious roots. We then provide a third higher-end estimate based on the annual household incomes of America’s religiously affiliated population.

ETIMATE 1: REVENUES OF FAITH-BASED ORGANIZATIONS

This study’s conservative estimate of the value of the religious sector to the U.S. economy is based primarily on the *revenues* of religious organizations. We specifically look at the revenues of several main religion sectors: educational institutions, healthcare networks, congregational activities, charitable social services, media, and food. For this economic valuation, we use the most recent year of data available.

Schools: Data on Educational Institutions

We estimate the value of religiously affiliated education to American society by multiplying the numbers of students attending faith-based institutions of higher education, faith-based high school, and faith-based elementary schools by the average cost for each of these three levels of education. For this, we need to know the number of students attending the schools and the average cost of tuition.

Higher Education. Enrollment data for 2011-2012 are available from the National Center for Education Statistics (NCES) and the Institution of Education Sciences (IES).² These sources also provide tuition costs for most of the religiously affiliated institutions of higher education, including colleges, universities, theological schools, and seminaries. The totals are summarized in Table 1.³

Table 1. Annual Tuition Payments to Faith-Based Higher Educational Institutions (Estimate)		
		Tuition Payments
Total students in faith-based higher ed.	2,033,875	
Average tuition/student	\$23,001	
Total		\$46,781,311,080
Source: National Center for Education Statistics (NCES) and the Institution of Education Sciences (IES). Data for the cohort entering in 2008. Figures may not total due to rounding of decimals.		

Elementary and High School Education. The number of students enrolled in faith-based elementary and high schools is available from the U.S. Department of Education, National Center for Education Statistics NCES, Private School Universe

² See <https://nces.ed.gov/> and <http://ies.ed.gov/>.

³ In the NCES and IES data there are 1,974,045 students for whom their institution’s tuition costs are reported, adding to a total of \$45,405,156,773, with an average of \$23,001 per student. However, the total number of students enrolled in faith-based higher education according to NCES and IES is 2,033,875, meaning that 59,830 students are without reported tuition data. Applying the known average to these 59,830 students, the total estimated tuition revenues for faith-based institutions of higher education is \$46,781,311,080.

Survey (PSS), 2011-2012. However, unlike for higher education, there is no central source for tuition costs at religiously affiliated elementary and high schools. So, we use as a proxy the reported costs of Catholic schools, which account for more than 40 percent of all such faith-based schools.⁴ Tables 2 and 3 summarize faith-based elementary and high school enrolments and estimated revenues.

		Tuition Payments
Elementary students	2,579,858	
Average tuition/student	\$5,847	
Total		\$15,084,427,145

Source: Number of students from U.S. Department of Education, National Center for Education Statistics NCES, Private School Universe Survey (PSS), 2011-2012; average tuition based on data for Catholic schools from the National Catholic Education Association and used as a proxy for other faith-based schools (<https://www.ncea.org/data-information/catholic-school-data>). Figures may not total due to rounding of decimals.

		Tuition Payments
Secondary students	1,025,180	
Average tuition/student	\$11,790	
Total		\$12,086,872,652

Source: Number of students from U.S. Department of Education, National Center for Education Statistics NCES, Private School Universe Survey (PSS), 2011-2012; average tuition based on data for Catholic schools from the National Catholic Education Association and used as a proxy for other faith-based schools (<https://www.ncea.org/data-information/catholic-school-data>). Figures may not total due to rounding of decimals.

By using tuition revenue, this study arrives at a conservative estimate of the annual value of religiously affiliated education. It is conservative because it neither includes other revenue streams such as donations and grants, nor does it include a valuation of the outreach and public service impacts of religiously affiliated educational institutions. Note that any revenues from congregational education programs such as vocational training and preschools are not counted here.

⁴ See <https://www.ncea.org/data-information/catholic-school-data>. While this study does not make cost comparisons between faith-based education and public school education, the National Catholic Educational Association estimates that Catholic schools provide almost \$22 billion dollars a year savings for the nation based on a comparison with the costs of public school education as reported by the National Center for Education Statistics.

Data on Health Providers

We estimate the value of religiously affiliated healthcare to American society by adding up the actual annual revenue reported by the largest faith-based healthcare networks in the U.S. Only hospitals and health systems with an active religious affiliation (not just in name) are included, based on their self-descriptions. The health networks included are faith-based networks among the 100 top-grossing U.S. hospitals and the 100 top integrated health systems.⁵ Revenues were obtained from the reports of the individual health organizations, as shown in Table 4.

Health Care Systems	Annual Revenue
Catholic Health Providers	\$108.0
Adventist Health System (Florida)	\$7.6
Advocate Health Care (Oak Brook, IL)	\$5.2
Methodist Hospital (San Antonio)	\$5.1
Baptist Medical Center (San Antonio)	\$4.5
The Methodist Hospital (Houston)	\$4.2
Texas Health Resources (Arlington, TX)	\$3.8
Methodist University Hospital (Memphis)	\$3.8
Baptist Hospital of Miami	\$3.3
Adventist Health (CA)	\$3.3
Riverside Methodist Hospital (Columbus, Ohio)	\$3.1
Baptist Medical Center Jacksonville (FL)	\$2.8
Baptist Health South Florida (Coral Gables)	\$2.2
Baptist Memorial Health Care Corp (Memphis)	\$1.9
Baptist Healthcare Systems (KY)	\$1.6
Baylor Health Care System (Dallas, TX)	\$0.5
Total	\$161.0

Source: Becker’s Hospital Review and individual health care system reports; for Catholic hospital data, we use the overall figure from the Catholic Health Association of the United States. Revenues for 2014. Figures may not total due to rounding of decimals.

This is also a conservative estimate because we are neither taking into account all religiously affiliated healthcare providers (we have only identified the largest networks) nor are we estimating the health benefits a substantial body of research has

⁵ These lists are available at Becker’s Hospital Review <http://www.beckershospitalreview.com/>. For Catholic hospital data, we use the overall figure from the Catholic Health Association of the United States.

shown to be associated with religious participation.⁶ For instance, one rough estimate puts the health savings value of religious participation at \$115.5 billion (Stark 2012: 166).

Data on Congregational Activities

To estimate the finances and activities of U.S. congregations, we used two nationally representative data sources that included data on multiple faith traditions running the gamut from Adventists to Zoroastrians.

To quantify U.S. congregational finances and activities, we used the National Congregations Study cumulative dataset (1998, 2006-07, 2012) archived at the Association of Religion Data Archives.⁷ The National Congregations Study "fills a void in the sociological study of congregations by providing ... data that can be used to draw a nationally aggregate picture of congregations" (Chaves et al. 1999, p.460). The 2012 NCS also includes an oversample of Hispanic congregations.

In order to scale the results to actual dollar and numeric figures, we used the 2010 Religious Congregations and Membership Study (RCMS) conducted by representatives of the Association of Statisticians of American Religious Bodies (ASARB).⁸ RCMS 2010 provides data on the number of congregations, members, adherents, and attendees for the 236 religious bodies and denominations participating in the study. Study participants included 217 Christian denominations, associations, or communions (including Latter-day Saints, Messianic Jews, and some Unitarian/Universalist groups); counts of Jain, Shinto, Sikh, Tao, and National Spiritualist Association congregations, and counts of congregations and individuals for Bahá'í, three Buddhist groupings, four Hindu groupings, four Jewish groupings, Muslims, and Zoroastrians. The study also went to special efforts to identify and include data from several religious bodies which have not traditionally participated or have been underrepresented in similar past studies, including improved coverage of predominantly African American religious bodies. The 236 groups surveyed have among them 344,894 congregations and 150,686,156 adherents.⁹

⁶ Koenig, King and Carson (2011) in the second edition of Oxford's *Handbook of Religion and Health* note that there have been many thousands of scientific studies on the positive and negative associations between religion and health. For accessible discussions of the benefits, see *The Healing Power of Faith: How Belief and Prayer Can Help You Triumph Over Disease* (Koenig and McConnell 1999) and *God, Faith, and Health: Exploring the Spirituality-Healing Connection* (Jeff Levin 2001).

⁷ See <http://www.thearda.com/Archive/Files/Descriptions/NCSIII.asp>. The data were gathered as part of the General Social Survey (GSS) interviews. But instead of a sample of individuals, these interviews were of a nationally representative sample of congregations via a 50-minute interview with one key informant, usually a clergyperson, from each congregation. The GSS is a face-to-face interview conducted by experienced and well-trained interviewers; in 1998, 2006-2007, and 2012, interviewers were instructed to glean from respondents as much locational information about their congregations as possible. The 1998 and 2012 NCS data were collected by the same interviewers who collected data from GSS respondents; in 2006-2007, some of the data were also collected by phone-bank interviewers.

⁸ See <http://www.rcms2010.org/> and <http://www.thearda.com/rcms2010/>.

⁹ For more information on the RCMS 2010 study and its methodology, see http://www.rcms2010.org/images/2010_US_Religion_Census_Introduction.pdf.

Combining these two sets of data make it possible, for instance, to estimate the finances for U.S. congregations nationwide as well as the number of congregations engaging in certain activities and ministries. For instance, among the 4071 congregations surveyed in the 2012 National Congregations Study, the average annual income from all sources was \$242,910 per congregation (Table 5, data point 1). Of this, \$216,143 comes from individuals' donations, dues, or contributions (Table 5, data point 2). Multiplying this figure by the 344,894 congregations identified by the RCMS study produces an estimated annual income from individual donations for U.S. congregations of \$74.5 billion (\$74,546,330,721).

Table 5. Nationally Representative Data on Activities of U.S. Congregations (Multiple Faiths), ordered by amount or frequency of occurrence

Italicized data points indicate activities of congregations across multiple faith traditions that provide for civic life and social cohesion above and beyond providing for the spiritual lives of congregants.

Data point	Income and Spending	Avg. per congregation*	Total amount across 344,894 congregations*
1	Congregation's Annual Income	\$242,910	\$83,778,191,193
2	Amount of Income from Individual's Donations, Dues, Contributions	\$216,143	\$74,546,330,721
3	<i>Total Money Spent on Social Programs 2012</i>	<i>\$26,781</i>	<i>\$9,236,699,335</i>
4	<i>Total Money Spent on Social Programs 2006</i>	<i>\$9,190</i>	<i>\$3,169,472,392</i>
5	<i>Total Money Spent on Social Programs 1998</i>	<i>\$6,880</i>	<i>\$2,372,839,680</i>
6	Amount Given to Other Religious Organizations	\$2,997	\$1,033,799,071
7	Government Grants, Contracts, Fees for Social Service Projects	\$732	\$252,327,899
8	Amount Received from Foundations, Businesses, United Way	\$354	\$122,137,312

Sources: Questions are from the National Congregations Study (NCS) cumulative dataset (1998, 2006-07, 2012) archived at the Association of Religion Data Archive; overall total of congregations from the Religious Congregations and Membership Study (RCMS) conducted by representatives of the Association of Statisticians of American Religious Bodies (ASARB). Data points are for the cumulative average across the years of the NCS, where available. Where not, the most recent year of data is prioritized.

For this study we weighted the data by WTA3CNGD to have results representing the average congregation's perspective.

* Dollar figures and total numbers are reported in detail based on calculations from the dataset; the actual precision is less, but is 95% likely to be within the survey's margin of error of +/-3%. Figures may not total due to rounding of decimals.

As a way to check the plausibility of this figure, we can compare it with the overall sum donated by individuals to religion in 2012. According to the Giving USA foundation, American individuals donated a total of \$101.5 billion to religious organizations.¹⁰ Thus, the \$74.5 billion estimate (three-quarters of the total) seems plausible considering that religious congregations tend to encourage their members to

¹⁰ See <http://money.cnn.com/2013/06/21/pf/charitable-donations/>.

channel their giving through their local congregation. The total income of \$83.8 billion (Table 5, data point 1) takes into account other revenue sources including endowments and grants.

Charities

There are thousands of religious charities carrying out the work of hundreds of faith traditions in the United States. Because a central database on the revenues and activities of all of these organizations was not readily available to us, we gathered data on the revenue of charities by identifying the largest faith-based charities in the U.S. from the overall list of the 50 largest U.S. charities. Of these, 20 are faith-based, ranging from the American Jewish Joint Distribution Committee to Lutheran Services in America. The total revenues of these organizations are readily available, as shown in Table 6.

Table 6. Annual Operating Revenues of Major Faith-based Charities (Estimate, \$Billions)	
Health Care Systems	Annual Revenue
Lutheran Services in America	\$21.0
YMCA USA	\$6.6
Catholic Charities	\$4.5
Salvation Army	\$4.1
Habitat for Humanity	\$1.7
Food for the Poor	\$1.0
World Vision	\$1.0
Boy Scouts of America	\$0.9
Compassion International	\$0.7
Catholic Relief Services	\$0.6
Campus Crusade for Christ	\$0.5
Catholic Medical Mission Board	\$0.5
Samaritan's Purse	\$0.5
Feed the Children	\$0.5
American Jewish Joint Distribution Committee	\$0.4
Map International	\$0.3
Operation Blessing International Relief & Development	\$0.3
Cross International (not affiliated with the Red Cross)	\$0.3
Total	\$45.3

Source: Faith-based charities identified by their self-description from a list of the 50 largest U.S. charities on the Forbes top charities list: <http://www.forbes.com/top-charities/list/>. Revenues for 2014. Figures do not total due to rounding of decimals.

We also confirmed that the organizations have a religious element as part of their self-description. For some, the religious element may be deemphasized or not highlighted prominently. The Young Men's Christian Association, commonly known as the Y.M.C.A., and more recently being branded just as the Y, still has a clear statement of a religious mission on the bottom of each webpage: "The YMCA is a nonprofit organization whose mission is to put Christian principles into practice through programs that build healthy spirit, mind and body for all."¹¹

The Boy Scouts of America, on the other hand, is not affiliated with a single faith tradition, but clearly states that being reverent is one of its core values: "Reverent: A Scout is reverent toward God. He is faithful in his religious duties. He respects the beliefs of others."¹² The Boy Scouts also have a special focus on faith and religion, with special resources for Methodists, Baptists, Catholics, Muslims, Judaism and Latter-day Saints (Mormons).¹³ They even have Awards/badges for knowledge in all these and many other faiths, including Hinduism, Sikhism, the Baha'i faith, etc.¹⁴ Moreover, scout troops can also be affiliated with a church or faith group. Indeed, nearly twice as many boys belong to religiously affiliated scout troops (1.58 million) as belong to troops with no religious affiliation (0.85 million).¹⁵

Media

Data on the religious media industry in the United States are hard to come by. Those data that are offered online are largely unsourced and difficult to verify. For instance, one online report suggests that Christian media alone accounts for some \$3.6 billion (Gaille 2013). Another better-sourced estimate from several years ago (Einstein 2008) puts the figures for the entire market at nearly double Gaille's figure:

In 2003, research estimates put the market for religious publishing and products at \$6.8 billion and growing at a rate of nearly 5 percent annually. This market is subdivided into three categories: books (the largest segment, with \$3.5 billion in sales and a 7 percent growth rate); stationary/giftware/merchandise (sales at \$1.4 billion and a 4.5 percent growth rate); and audio/video/software (\$1.4 billion in sales and flat) (Einstein 2008:6).

For this study, we only included data that were reasonably available, reliable and plausible (Table 7). Therefore, the data likely represent what we suspect is a significant undercount. But we do find some support for a more conservative figure than Gaille's or Einstein's. For instance, while Einstein cited an estimate of \$3.5 billion in religious book sales, Nielson, a leading global information and measurement company, estimated that in 2014 more than 52 million religious book titles were sold in the U.S. (Nielson 2015). Given that the average price for a book falls between \$6

¹¹ See bottom of this page: <http://www.ymca.net/>

¹² See <http://www.scouting.org/FILESTORE/marketing/pdf/02-882.pdf>, page 28.

¹³ See <http://www.scouting.org/home/marketing/current%20initiatives/faith.aspx> on the faiths initiative, and here for the Mormon resources http://www.scouting.org/about/factsheets/operating_orgs/latter-day_saints.aspx.

¹⁴ See <http://bsaseabase.org/home/awards/religiousawards/chart.aspx>.

¹⁵ See http://www.scouting.org/About/FactSheets/operating_orgs.aspx.

and \$28,¹⁶ depending on the type, the total would be somewhere between \$0.3 billion (if every book was a mass market paperback) and \$1.5 billion (if every book was an adult-level hardback). Given that hardbacks represent about 25% of the overall market,¹⁷ we concluded that a \$554 million estimate by Statista for religious book sales, as shown in Table 7, to be more plausible than the higher figures cited in other sources.¹⁸

In addition to religious book sales, we identified revenue data for two other media market sectors: (a) two large media networks (CBN and EWTN); and (b) Christian/gospel album sales.

Many denominations have media branches, but we were suspicious that reporting those revenues might double count congregational revenue, which through various cooperative and denominational programs, may be channeled centrally to support denominational media initiatives.

Media Sector	Annual Revenue
Religious Book Sales	\$0.55
Christian Broadcasting Network (CBN)	\$0.29
EWTN	\$0.05
Christian/Gospel Album sales	\$0.02
Total	\$0.90

Sources: Book and album sales, Statista; CBN, Forbes; EWTN, Charity Navigator. Revenues for 2014. Figures do not total due to rounding of decimals.

Food

We do not count sales of food (or other items such as gifts) for religion-based holidays, such as Christmas. If we did, this would have a dramatic impact. According to estimates, Christmas purchases in the United States' retail industry in 2013 added to more than \$3 trillion, or about 19.2 percent of total retail sales, and resulted in hiring an extra 768,000 employees to handle the holiday rush.¹⁹ We do not include these sales because they are not primarily based on the actions of organized faith-based groups, but primarily involve the purchasing actions of individuals.

We do, however, include revenues for traditional kosher and halal foods because both of these require the direct actions of religious authorities to certify compliance with religious dietary edicts. As shown in Table 8, revenues for the kosher food sector is estimated to be \$12.5 billion based on sales of traditional kosher products in the United States. We use this figure rather than the estimated revenues of

¹⁶ See <http://tln.lib.mi.us/dept/technical-services/acq/files/AverageBookPrices2014.pdf>.

¹⁷ See <http://www.publishersweekly.com/pw/by-topic/industry-news/bookselling/article/64170-e-books-remain-third.html>.

¹⁸ See <http://www.statista.com/statistics/251467/religious-books-sales-revenue-in-the-us/>.

¹⁹ See <http://www.statista.com/topics/991/us-christmas-season/>.

more than \$300 billion when all products certified as kosher are counted to remain conservative with the estimate.²⁰ Though relatively smaller, the halal food market in the U.S. was estimated to be \$1.9 billion in 2010.²¹

Food Sector	Annual Revenue
Kosher (Jewish)	\$12.5
Halal (Muslim)	\$1.9
Total	\$14.4

Source: Kosher: Lubicom (2014), "Kosher Statistics." Halal: Canadian Government (2011), "Global Pathfinder Report: Halal Food Trends." Figures may not total due to rounding of decimals.

This conservative estimate puts the economic contribution of the religion sector to the U.S. society at about \$378 billion annually. As shown in Table 9, this falls into several main sectors: healthcare (\$161.0 billion), local congregational activities (\$83.8 billion), education (\$74.0 billion), charities (\$44.3 billion), media (\$0.9 billion), and food (\$14.4 billion). As noted above, we deducted the estimated funds directed from congregations to outside religious organizations (see Table 5, data point 5) from the total in Table 9 to avoid possible double counting.

Sector	Revenue	% of Total
Healthcare Networks	\$161.0	42.5%
Congregations	\$83.8	22.1%
<i>giving to other religious organizations*</i>	<i>– \$1.0</i>	<i>– 0.3%</i>
Educational Institutions	\$74.0	19.6%
Charities	\$45.3	12.0%
Media	\$0.9	0.2%
Food (traditional kosher and halal)	\$14.4	3.8%
Total	\$378.3	100.0%

Source: The Socio-economic Contribution of Religion to American Society: An Empirical Analysis
 * The estimated funds directed from congregations to outside religious organizations (see Table 5, data point 5) are deducted from the total to avoid possible double counting. Figures do not total due to rounding of decimals.

²⁰ See <http://www.star-k.org/articles/articles/getting-certified/advantage-kosher-certification/1373/the-global-demand-for-kosher/> and <http://www.lubicom.com/kosher/statistics/>.

²¹ See https://www.gov.mb.ca/agriculture/market-prices-and-statistics/food-and-value-added-agriculture-statistics/pubs/halal_market_pathfinder_en.pdf, page 4.

The data on local congregations show that they provide a significant level of community and social services beyond those provided through religious organizations set up to specifically provide health care, education and charity. As shown in Table 5 (data point 2), congregations spent an estimated \$9.2 billion on social programs in 2012, the bulk of which came from donations of individual congregants. Indeed, congregations rely overwhelmingly on donations rather than government grants, fees and other outside sources for their work. Specifically, out of an estimated annual revenue of nearly \$84 billion, congregations received only an estimated \$0.38 billion from government grants, fees and other outside sources (Table 5, sum of data points 7 and 8). That's less than half a percent.

In terms of money spent on social service programs, there is evidence that congregations are increasing their work in this area. As shown in Table 10, when controlling for inflation, congregational spending on social programs is 2.5 times higher in 2012 (\$9.24 billion) than in 2006 (\$3.63 billion) and 2.8 times higher than in 1998 (\$3.32 billion).

Year	Original \$	In 2012 dollars
2012	\$9.24	\$9.24
2006	\$3.17	\$3.63
1998	\$2.37	\$3.32

Sources: Based on analysis of the National Congregations Study (NCS) cumulative dataset (1998, 2006-07, 2012) archived at the Association of Religion Data Archive, and the Religious Congregations and Membership Study (RCMS) conducted by representatives of the Association of Statisticians of American Religious Bodies (ASARB).

ESTIMATE 2: ADDING IN A VALUATION OF CONGREGATIONAL SOCIAL SERVICES, CHARITABLE HALO EFFECTS, AND THE ECONOMIC CONTRIBUTION OF BUSINESSES WITH RELIGIOUS ROOTS

The research of Cnaan et al. (1999), Cnaan et al. (2006), Cnaan et al. (2013), and Cnaan (2015), describes the process by which religious congregations have positive impacts on communities. They argue that communities socially and economically benefit from the *halo effect* of having the stable, attractive force of a congregation in a community, providing a center for education, childcare, social events, charity, and job training, among other functions. Part of this contribution includes that congregations also provide a sizeable number of jobs. Most congregations have fulltime or part-time paid staff ranging from pastors and music directors to maintenance and operational staff. For instance, there are paid youth ministers in more than an estimated 124,000 congregations nationwide (see below, Table 11, data point 52).

Cnaan and colleagues also catalogue other halo effects ranging from being a magnet attracting visitors for such things as performances, lectures and weddings (and

the local spending made related to these events), to using the green space around congregational buildings for recreation and repose, to attracting people to view a congregation's architecture and art. Looking at the combined data from the National Congregations Study and the RCMS (described above), we can see that such halo magnet effects are perhaps surprisingly common, with an estimated 116,919 congregations nationwide reporting that they attract visitors to view their architecture and art (Table 11, data point 57). By comparison, there are only 35,144 museums in the United States, according to a 2014 estimate by the Institute of Museum and Library Services (IMLS).²² This means that museum-worthy, visitor-attracting places of worship outnumber America's museums by more than 3.3 times.

The combined National Congregations Study and RCMS data also allows us to see how many congregations do certain social ministries, such as have groups to provide support for persons with HIV-AIDS (Table 11, data point 89). The data show that 7.5% of congregations report having groups, meetings, classes or events specifically focused on providing support, such as food, housing, personal items, or pastoral care to persons living with HIV-AIDS. That means that 25,867 congregations are engaged in some form of active ministry to help people living with HIV-AIDS. In terms of the portion of the U.S. population living with HIV infection, this could be considered a higher percentage than expected. Currently, according to the CDC, 1.2 million people live with HIV, or 0.4% of the U.S. population.²³ Of course, these ministries do not reach all HIV positive people, but numerically, this is the equivalent of one congregational HIV-AIDS ministry for every 46 people who are HIV positive.

Table 11 repeats from Table 5 the income and spending data of congregations from the the National Congregations Study (NCS) scaled to actual dollar and numeric figures by using the 2010 Religious Congregations and Membership Study (RCMS). However, Table 11 greatly expands the data in order to provide a wealth of additional congregational information including estimates of numbers of people involved in classes and programs and types of activities that minister to the social needs of communities (identified in the table by italics). This list is illustrative, not exhaustive.²⁴

The data in Table 11 show the types of social and community impact that Cnaan and colleagues have taken into account when estimating the value provided by congregations to a community. To provide a ballpark estimate of the real value of such halo effects nationally is possible by drawing on Cnaan's most recent work (2015), which is described in the section after the table. Indeed, these data provide context and support for this study's second estimate of faith's socio-economic contribution to American society by giving an overview of the types of activities that congregations do beyond worship services, many of which contribute to a robust civic society. These include some specifically religion-related activities such as religious education classes, but they also include a large number of community activities ranging from recruiting volunteers for outside projects (data point 19) to activities to support

²² IMLS is the U.S. agency that is the primary source of federal funding for the nation's museums and libraries. See <https://www.imls.gov/news-events/news-releases/government-doubles-official-estimate-there-are-35000-active-museums-us>

²³ See <https://www.aids.gov/hiv-aids-basics/hiv-aids-101/statistics/>.

²⁴ The full list of questions included in the three waves of the National Congregations Study with weighted frequencies can be found here: http://www.thearda.com/Archive/Files/Codebooks/NCSIII_CB.asp.

military veterans and their families (data point 61). This information sheds light on the social contributions resulting from revenues of religious congregations.

In addition, congregations provide community and social services by fielding an estimated 7.6 million volunteers in social service programs (data point 11). These activities and the volunteers that run them tend to be collaborative endeavors with other groups in society, promoting social cohesion through broader civic engagement beyond the congregations' doors. Indeed, nearly three-in-four congregations, or almost 257,000 congregations nationwide, engage in collaboration with other groups and organizations on social programs (data point 25). In fact, almost all congregations (93%) recruit volunteers for outside projects (data point 19).

<i>Italicized data points indicate activities of congregations across multiple faith traditions that provide for civic life and social cohesion above and beyond providing for the spiritual lives of congregants.</i>			
Data point	Income and Spending	Avg. per Congregation*	Total Amount across 344,894 Congregations*
1	Congregation's Annual Income	\$242,910	\$83,778,191,193
2	Amount of Income from Individual's Donations, Dues, Contributions	\$216,143	\$74,546,330,721
3	<i>Total Money Spent on Social Programs 2012</i>	<i>\$26,781</i>	<i>\$9,236,699,335</i>
4	<i>Total Money Spent on Social Programs 2006</i>	<i>\$9,190</i>	<i>\$3,169,472,392</i>
5	<i>Total Money Spent on Social Programs 1998</i>	<i>\$6,880</i>	<i>\$2,372,839,680</i>
6	Amount Given to Other Religious Organizations	\$2,997	\$1,033,799,071
7	Government Grants, Contracts, Fees for Social Service Projects	\$732	\$252,327,899
8	Amount Received from Foundations, Businesses, United Way	\$354	\$122,137,312
	Numbers of People Involved in Classes and Programs	Avg. per Congregation	Total People, Groups or Programs
9	Number of Adults Attending Weekly Religious Classes	35.6	12,271,329
10	Number of Children 12-and-under Attending Weekly Religious Classes	34.2	11,802,273
11	<i>Number of Congregants that Volunteered, Social Service Programs</i>	<i>22.2</i>	<i>7,646,300</i>
12	Number of Members Receiving Help from Congregation	17.6	6,077,032
13	Number of Teens Attending Weekly Religious Classes	15.3	5,259,634
14	Number of Adult Volunteers	15.1	5,197,553
15	Number Religious Education Classes Meeting Once a Month or More	6.9	2,362,524
16	<i>Number of social service programs sponsored</i>	<i>4.7</i>	<i>1,621,002</i>
17	Number of Regular Choir, Musical Performance Groups	1.6	562,177

	Congregational Activities	Share of all congregations	Total Number of Congregations
18	<i>Groups for Musical, Theatrical Performance (not choirs)</i>	93.0%	320,751
19	<i>Recruiting Volunteers for Outside Projects</i>	92.8%	320,062
20	<i>Worship Service Advertised Volunteer Opportunities</i>	92.8%	320,062
21	Religious Clergy has Higher Education	89.8%	309,715
22	Congregation Had a Visiting Speaker	81.0%	279,364
23	Congregants Greet During Service	80.2%	276,605
24	Congregation Followed up With Visitors	78.7%	271,432
25	<i>Congregation Collaborates on 4 Most Important Social Programs</i>	74.5%	256,946
26	Congregation Groups Meet Monthly for Religious, Social, Recreational Activity	74.3%	256,256
27	Congregation has Filed for 501(c)(3) Status	72.0%	248,324
28	Groups for Cleaning, and Building Maintenance	71.2%	245,565
29	<i>Joint Worship Service with Another Congregation</i>	68.2%	235,218
30	<i>Visiting Speaking Clergy from Another Congregation</i>	66.0%	227,630
31	Members Serve on Committees, Attended Meetings	64.5%	222,457
32	Worship Service had Play Production	63.4%	218,663
33	Congregation has Teen Camps, Retreats, Conferences	63.3%	218,318
34	Congregation has Organized Youth Group	62.2%	214,524
35	Group for socializing, fellowship	61.6%	212,455
36	Facilities Accommodate the Disabled	56.0%	193,141
37	Congregation Owns Copyrighted Music	51.1%	176,241
38	<i>Worship Building used for Non Congregational Purposes</i>	50.0%	172,447
39	<i>Congregation has Teens Plan, Present Non-Worship Service Events</i>	49.9%	172,102
40	Worship Service Has Focus on Children	48.3%	166,584
41	<i>Groups to Plan or Conduct Community Needs</i>	47.7%	164,514
42	<i>Congregation Placed Paid Ad in Newspaper</i>	44.8%	154,513
43	<i>Group that Serves, Volunteers with People of Another Faith</i>	42.7%	147,270
44	<i>Groups to Attend Musical, Theatrical Outside Events</i>	41.9%	144,511
45	Avg. Number of Adult Congregants Participating in Leadership Role	40.6%	140,165
46	Worship Service has Teen Participation	39.9%	137,613
47	Groups to Train New Religious Education Teachers	39.6%	136,578
48	<i>Groups to Discuss Parenting Issues</i>	39.2%	135,198
49	<i>Groups to Encourage Volunteer Activity</i>	38.7%	133,474
50	<i>Groups for People Struggling with Drug, Alcohol Abuse</i>	37.6%	129,680

51	<i>Groups for couples on enriching, improving their marriages</i>	36.2%	124,852
52	Congregation's Youth Minister is Paid	36.0%	124,162
53	<i>Worship Service had Hired Singers, Musicians</i>	35.9%	123,817
54	<i>Group Specifically for Women</i>	35.8%	123,472
55	<i>Clergy Holds Multiple Jobs</i>	35.8%	123,472
56	<i>Groups to Help Unemployed People</i>	35.0%	120,713
57	<i>Visitors Come to View Building's Architecture, Artwork</i>	33.9%	116,919
58	<i>Group Travels in U.S. to Help the Needy</i>	32.4%	111,746
59	Groups for Physical Healing	32.4%	111,746
60	<i>Activities to promote physical fitness</i>	29.1%	100,364
61	<i>Activities to support military veterans and their families</i>	27.3%	94,156
62	<i>Groups to Teach Personal Finance Management</i>	26.5%	91,397
63	Congregation Conducted, Used Survey of Community	25.6%	88,293
64	<i>Congregation Has Health Focused Programs</i>	24.8%	85,534
65	<i>Groups to Discuss, Learn About a Different Religion</i>	23.9%	82,430
66	<i>Groups for People with Mental Illness</i>	22.9%	78,981
67	Congregation has Teens Serve on Governing Boards	22.4%	77,256
68	<i>Group for Food</i>	19.7%	67,944
69	<i>Congregation Affiliated with Community Organizing Group</i>	19.2%	66,220
70	<i>Program: Home Building, Repair, Maintenance</i>	18.1%	62,426
71	<i>Program: Providing Clothing, Blankets, Rummage Sales</i>	17.3%	59,667
72	<i>Groups to Discuss Peoples' Problems, Concerns with Work</i>	17.1%	58,977
73	<i>Groups to Discuss Societal Race Relations</i>	16.3%	56,218
74	<i>Groups for Self-help, Such as AA</i>	16.2%	55,873
75	<i>Worship Building used for Non Congregational Rehearsals, Performances</i>	16.0%	55,183
76	Congregation Started, Planted New Congregation	15.4%	53,114
77	<i>Number of Paid Employees Spent More than 25% on Social Service Projects</i>	14.0%	48,285
78	<i>Group for Helping the needy</i>	13.9%	47,940
79	<i>Program: Non-religious education</i>	13.6%	46,906
80	<i>Groups to Encourage People to Register to Vote</i>	12.7%	43,802
81	<i>Group for Senior citizens</i>	12.2%	42,077
82	<i>Program: Homeless or Transient</i>	11.8%	40,697
83	<i>Group for Fine or performing arts</i>	10.8%	37,249
84	<i>Shares Worship Building with Other Congregations</i>	9.7%	33,455
85	<i>Groups to Offer Services to Immigrants</i>	9.5%	32,765

86	Group for Fundraising	8.7%	30,006
87	Groups Meet to Prevent Transmission of HIV, AIDS	8.6%	29,661
88	Donates to Organizations that Primarily Help People with HIV, AIDS	7.6%	26,212
89	Groups Provide Support to Persons with HIV, AIDS	7.5%	25,867
90	Groups Meet to Raise Awareness of HIV, AIDS	7.4%	25,522
91	Established Separate Non Profit Org. to Conduct Human Services, Outreach	7.4%	25,522
92	Groups to Discuss Pollution, Environmental Issues	7.4%	25,522
93	Worship Building used for Non Congregational Art Exhibits	5.6%	19,314
94	Congregations with elementary or high schools	5.4%	18,624
95	Program: Disaster relief	5.3%	18,279
96	Programs to Serve Persons with HIV, AIDS	5.3%	18,279
97	Program for Cleaning Highways or Parks	5.2%	17,934
98	Group for Vacation, summer Bible schools	5.0%	17,245
99	Groups to Teach Congregants English	4.8%	16,555
100	Program: Substance Abuse	4.4%	15,175
101	Group for Couples, marriage preparation classes	4.0%	13,796
102	Group for visiting shut-ins, incarcerated individual	3.5%	12,071
103	Program: Habitat for Humanity	3.2%	11,037
104	Group for Bingo, cards, game playing	3.2%	11,037
105	Group for festivals, bazaars, craft fairs, or other celebrations	3.1%	10,692
106	Joint Worship Service with Jewish Congregation	3.1%	10,692
107	Program Serves Victims of Rape, Domestic Violence	2.1%	7,243
108	Group for Sewing	2.1%	7,243
109	Group for Dealing with the loss of a loved one	2.0%	6,898
110	Program: Prisoners, People in Trouble with the Law and their Families	2.0%	6,898
111	% of Adult Congregants who Moved to the US in Past 5 years	2.0%	6,898
112	Group for Racial/Ethnic relations	1.6%	5,518
113	Joint Worship Service with Muslims	1.5%	5,173
114	Group for Helping people with substance abuse problems	1.2%	4,139
115	Program: St. Vincent de Paul	0.5%	1,724

Sources: Questions are from the National Congregations Study (NCS) cumulative dataset (1998, 2006-07, 2012) archived at the Association of Religion Data Archive; overall total of congregations from the Religious Congregations and Membership Study (RCMS) conducted by representatives of the Association of Statisticians of American Religious Bodies (ASARB). Data points are for the cumulative average across the years of the NCS, where available. Where not, the most recent year of data is prioritized.

For this study we weighted the data by WTA3CNGD to have results representing the average congregation's perspective.

* Dollar figures and total numbers are reported in detail based on calculations from the dataset; the actual precision is less, but is 95% likely to be within the survey's margin of error of +/-3%. Figures may not total due to rounding of decimals.

Valuation of Congregations: A Summary

Cnaan (2015) reports on the estimated economic value to communities of 90 congregations in three cities: Philadelphia (40), Chicago (30), and Fort Worth (20). His team interviewed clergy (or other leaders) and program directors (where needed) to collect data on six ways congregations provide value to the communities in which they are located.

First, Cnaan's study estimated the value of the positive individual impact provided by a congregation's leaders who provide support to individuals, couples and families. These include activities that (a) promote health and well-being, (b) mitigate negative costs such as legal troubles or lost productivity, (c) increase benefits to the local communities including employment, which also includes paying employment taxes, and (d) investment in family and children. As Cnaan notes, such activities are associated with decreased drug and alcohol abuse, divorce, domestic violence and other personal problems. Second, the study estimated the direct spending of congregations that contribute to the local economy including buying goods and services, employing local residents and using local vendors. Third, the study estimated the "Magnet Effect," including the value of hosting weddings, funerals, artistic performances and other events such as lectures that draw out-of-town visitors. These Magnet Effects are tangible activities such as visitors spending money at local restaurants and other small businesses. Fourth, Cnaan's study estimated the value of schools and daycare centers associated with congregations. Fifth, the study estimated the value of "Open Space," i.e., a congregation's outdoor space often provides a garden and other features that contribute not only to increasing community aesthetics and lowering storm water runoff treatment costs, but also of recreational and leisure possibilities. And sixth, the study estimated the invisible safety net provide by congregations, including the volunteer and in-kind support that augments the city's network of social services.

The study found that for the 90 congregations from Chicago, Fort Worth, and Philadelphia, the average distribution of contributions was as follows:

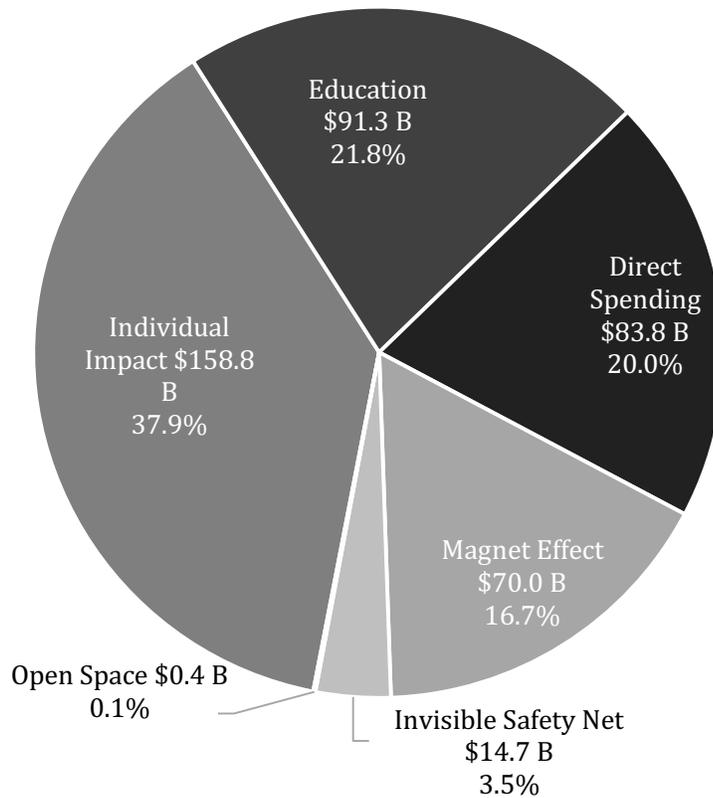
- Individual Impact (37.9%)
- Education (21.8%)
- Direct Spending (20%)
- Magnet Effect (16.7%)
- Invisible Safety Net (3.5%)
- Open Space (0.1%)

The Cnaan study did not find significant differences between the results for the congregations in Chicago, Fort Worth or Philadelphia, reporting similar overall average contribution to their local economy. While the limitation of the study is that it focused only on urban congregations, there is some indication from the results that they match the national profile of congregations. For instance, the Cnaan study found that on average the number of different social programs per congregation was 4.73. This is almost identical to the findings from the National Congregations Study (NCS), which was 4.7 social service programs (Table 11, data point 16).

Applying the Methodology to a National Valuation

Applying the above findings to a national estimate, we begin by taking the cash revenues of congregations as roughly the equivalent of the direct spending of congregations. This is appropriate because, as the norm, congregations pretty much spend what comes in.²⁵ Taking then \$83,778,191,193 (Table 11, data point 1) as the direct spending of congregations nationwide, which we assume based on Cnaan’s study to be 20% of the total value of congregational activities, we can then allot the other 80% proportionally (as shown in Chart 1): Individual Impact (37.9%), \$158.8 billion; Education (21.8%), \$91.3 billion; Magnet Effect (16.7%), \$70.0 billion; Invisible Safety Net (3.5%), \$14.7 billion; Open Space (0.1%), \$0.4 billion; Total (100%), \$418.9 billion. Using this approach, we come up with a more realistic value of the multifaceted services provided by congregations, including education ranging from preschool and schools to seminars and conferences to job and marriage courses.

Chart 1. Religious Congregations' Value to U.S. Society (\$418.9 billion, annually)



(Figures may not total due to rounding of decimals.)

Source: The Socio-economic Contribution of Religion to American Society, Brian J. Grim and Melissa E. Grim, 2016

²⁵ See "How Churches Spend Their Money," Christianity Today, August 28, 2014. Internet: www.churchlawandtax.com/blog/2014/august/how-churches-spend-their-money.html.

The Halo Effect: An Adjustment for Charities

In addition, a separate study by Partners for Sacred Places and McClanahan Associates Inc. (2015) quantified the Halo Effect of the Salvation Army's Kroc Centers, and found that the total economic benefit to the communities where the charitable work was carried out was about 2.1 times the annual budget of the programs. So, applying this same ratio to the revenues of faith-based charities adds an additional \$49.8 billion to the value estimate (as shown in Table 13). We believe this corrects what we consider an undervaluation in the first estimate, which only counted revenues of faith-based charities.

Businesses with Religious Roots

In 2014, a landmark decision by the United States Supreme Court determined that the closely held for-profit corporation Hobby Lobby is exempt from a law that its owners religiously object to, as long as there is a less restrictive means of furthering the law's interest. That ruling was the first time the Supreme Court recognized a for-profit business's claim of religious belief. While the ruling was limited to closely held corporations, it sets up the situation where the boundaries of faith and business are clearly not absolute. It is therefore reasonable in any valuation of the role of faith to the U.S. economy to recognize businesses that have religious roots. This expands our purview beyond companies that have a specific religious purpose, such as producing traditional halal or kosher foods, to companies that have religion as a part of their corporate culture or founding.

To identify such companies, this second estimate includes companies identified recently as having religious roots (see Table 12). For instance, Deseret News recently identified 20 companies with religious roots, and CNN produced a list of religious companies besides Chick-fil-A.²⁶ Also, the recent book by Oxford University business professor Theodore Malloch (2015) produced a global list of such faith-inspired companies. Not all of these would identify specifically as being faith-based. But faith is part of the founding and operating ethos. Malloch notes that although the commercial success of Walmart is well known, "less well known are Walmart's connections to the distinct religious world of northwest Arkansas and rural America ... [and its] corporate culture and how specific executives incorporated religious culture into their managerial philosophy" (2015: 82).²⁷ For a full discussion of the religious roots of Walmart, see Moreton (2009). Likewise, although the Marriot Hotels are not religiously run, John Willard Marriott, a member of The Church of Jesus Christ of Latter-day Saints, founded the chain and supplied many of the rooms with not only the Bible but The Book of Mormon.

Some other companies listed in Table 12, however, have a more overt religious identity. Tyson Foods company, founded by John Tyson, provides 120 office chaplains

²⁶ See: <http://www.deseretnews.com/top/1700/0/20-companies-with-religious-roots.html> and <http://religion.blogs.cnn.com/2012/07/24/7-religious-companies-besides-chick-fil-a/>.

²⁷ Malloch (2015) in *Practical Wisdom in Management: Business Across Spiritual Traditions*, also identified a wide range of faith-inspired businesses from various religious and belief systems.

for employees, ministering to the personal and spiritual needs regardless of the employee’s faith or non-faith, as the case may be. The Deseret News story notes that Tyson speaks openly about the company's aspiration to honor God and be a faith-friendly company. Also, as a further indication of the company’s faith-orientation, Tyson recently financed the launch of the Tyson Center for Faith and Spirituality in the Workplace at the University of Arkansas.

Table 12. Religion-based companies (Estimate, \$billions, 2014)

Food Sector	Annual Revenue
Walmart, U.S.	\$279.4
Tyson Foods	\$37.6
Tom's of Maine	\$15.0
Whole Foods Market	\$14.2
Kosher Food Industry, U.S.	\$12.5
Amway	\$11.8
Marriott, North America	\$8.3
Jet Blue	\$5.8
Chick-Fil-A	\$5.8
Alaska Airlines	\$5.4
Mary Kay	\$4.0
Forever 21	\$3.8
Hobby Lobby	\$3.7
ServiceMaster	\$2.5
Knights of Columbus	\$2.1
Herman Miller	\$2.1
Halal Food Industry, U.S.	\$1.9
Timberland	\$1.7
Interstate Batteries	\$1.5
Carl's Jr.	\$1.3
In-N-Out Burger	\$0.8
Curves	\$0.5
Anschutz Entertainment Group	\$0.3
eHarmony	\$0.3
Habitat for Humanity	\$0.3
Covenant Transportation	\$0.1
Trijicon	\$0.1
Total	\$422.7

Sources: Religious roots identified by one of the following: Deseret News, "20 Companies with Religious Roots;" CNN, "Religious Companies Besides Chick-fil-A;" Halal and Kosher marketing reports; Practical Wisdom in Management: Business Across Spiritual Traditions, Theodore Roosevelt Malloch (Greenleaf Publishing, 2015). 2014 revenues from company annual reports or Forbes. (Figures do not total due to rounding of decimals.)

One business in Table 12 is overtly religious. The Knights of Columbus is a Catholic fraternal organization.²⁸ Since the Knights' founding in 1882 – by passing the hat for widows and orphans – their mission has been to “protect families from the financial ruin caused by the death of the breadwinner.” To fulfill that mission today, the Knights employ more than 1,400 people to operate their faith-based insurance and retirement program with over \$99 billion of insurance in force. Not only do the Knights provide a safety net for their members, they also provide jobs, charity work, and avenues for social involvement and networking, all of which are direct socio-economic contributions to American society. The Knights of Columbus currently has more than 15,100 councils and 1.9 million members throughout the United States, Canada, the Philippines, Mexico, Poland, the Dominican Republic, Puerto Rico, Panama, the Bahamas, the Virgin Islands, Cuba, Guatemala, Guam, Saipan, Lithuania, Ukraine and South Korea. Indeed, such an organization shows how difficult it is to draw a precise theoretical and at times legal line between business activities (such as insurance) and charitable activities (such as caring for widows and orphans).

Finally, our second estimate of the socio-economic contribution of religion to American society, which is summarized in Table 13, includes one other oft-mentioned religion-related business – major films with an overtly religious theme, many of which are promoted heavily by religious groups themselves. In 2014, the reference year for this study, there were four such blockbusters, with combined domestic U.S. revenues of nearly half a billion dollars: “Son of God” (20th Century Fox, February 2014); “Heaven is For Real” (Sony Pictures, April 2014); “Noah” (Regency Enterprises, November 2014); and “Exodus” (20th Century Fox, December 2014). While \$409 million in combined domestic revenue is not a large amount relative to other categories, the advertising and promotion of the films, and their ongoing viewership through streaming and/or CDs, makes them an example of how religion crosses the boundaries between business and culture within American society.

Table 13 presents what we consider to be a better estimate than the first estimate of the economic contribution of religion to American society. As shown in the table, faith-based healthcare networks contribute \$161 billion annually, or 13.9% of the total contribution of religion to the U.S. economy. Congregations contribute about \$327 billion annually (28.2%), plus an additional \$91.3 billion if schools and daycare are taken into account (together making 36.1% of the total). Higher education adds another \$46.8 billion annually (4%), but as with healthcare, this is likely an undercount as well because it only takes into account tuitions. Charities add another \$95.2 billion annually (8.2%). And finally, the business sector contributes \$438 billion annually, slightly more than a third of the total (37.8%).

As shown in Table 13, these add up to \$1,159.2 billion dollars, or about \$1.2 trillion.

²⁸ See: <https://www.kofc.org/uns/en/insurance/index.html>.

Sector	Revenue	% of Total
Healthcare Networks	\$161.0	13.9%
Congregations:	\$326.5	28.2%
<i>Direct Spending</i>	\$83.8	7.2%
<i>Giving to other religious organizations</i>	\$(1.0)	-0.1%
<i>Individual Impact</i>	\$158.8	13.7%
<i>Magnet Effect</i>	\$70.0	6.0%
<i>Invisible Safety Net</i>	\$14.7	1.3%
<i>Open Space</i>	\$0.4	0.0%
Education:	\$138.1	11.9%
<i>Higher Education</i>	\$46.8	4.0%
<i>Schools and Daycare</i>	\$91.3	7.9%
Charities:	\$95.2	8.2%
<i>Charities' Revenues</i>	\$45.3	3.9%
<i>Charities' Halo Effect (estimate)</i>	\$49.8	4.3%
Business:	\$438.4	37.8%
<i>Religious Media</i>	\$0.9	0.1%
<i>Religion-themed films</i>	\$0.4	0.0%
<i>Food (traditional kosher and halal)</i>	\$14.4	1.2%
<i>Businesses with religious backgrounds</i>	\$422.7	36.5%
Total	\$1,159.2	100.0%
Figures may not total due to rounding of decimals.		
Source: The Socio-economic Contribution of Religion to American Society, Brian J. Grim and Melissa E. Grim, 2016		

ESTIMATE 3: THE REVENUES OF RELIGIOUSLY AFFILIATED AMERICANS

The third estimate of this study recognizes that many, if not most people of faith, aim to conduct their affairs (to some extent, however imperfectly) guided by and inspired by their religious ideals. In a recent Atlantic article by Jared Keller (2015) and an earlier Harvard Business Review article by Charles Handy (2001), there is a keen sense that the tie between religion and the American spirit put forth in the 19th century by Alexis de Tocqueville (1945 [1835]), a French observer of American life, is still alive and well. Referencing Australian author Robert Hughes, Handy notes:

The Puritans saw themselves as successors to Moses, leading their people to a promised land and starting a new phase of history. That vision still holds today. On the back of every one-dollar bill are the words *novus ordo seclorum* – “a new order of the ages.” John Winthrop, their leader, famously preached a

sermon in mid-Atlantic in which he spoke of creating a “city upon a hill” where “the eyes of all people are upon us.” Hughes argues that the Puritans’ values infect the great bulk of Americans to this day. They implanted the American work ethic, as well as the tenacious primacy of religion in American life, equaled only by the Muslim world. In no other country would presidential candidates feel it electorally desirable to proclaim their religious beliefs.

To the extent that religious ethics and ethos pervade how Americans approach work and life, it could be argued that religion’s socio-economic contribution to American society is incalculably large. Perhaps one way to count its value is to take into account the incomes of religiously affiliated people. This is not so different than a similar methodology used in a recent study conducted for the World Economic Forum’s Global Agenda Council on the Role of Faith (Grim and Connor 2015). That study connected self-identified religious affiliation with economic environments around the world, seeking to examine how different religious groups will grow both in population and economic power in terms of gross domestic product (GDP) under their control.

Similar to the methodology used in that study, our upper-end estimate of the contribution of religion to American society is based on the estimated annual income of people of faith. For a ballpark estimate, we simply take the share of the adult U.S. population that is religiously affiliated (77.2%, according to Pew Research) and multiply that by the median household income, as shown in Table 14. Given that Pew Research indicates that a higher share of religiously unaffiliated people are in the highest income categories,²⁹ the \$4.8 trillion estimate, or the equivalent of nearly a third of the country’s gross domestic product (GDP), is most likely an upper-end estimate. Our intent in providing this estimate, however, is not to achieve exact precision, but to offer another plausible way to take into account the contribution of religion to the American economy.

	Household Income	Annual Revenue
Households in U.S. (116,211,092)	\$53,482	\$6,215,736,442,344
Affiliated Households (89,714,963)	\$53,482	\$4,798,135,652,450
Unaffiliated Households (26,498,129)	\$53,482	\$1,417,187,908,854
Sources: Pew Research http://www.pewforum.org/2015/05/12/americas-changing-religious-landscape/ and U.S. Census Bureau for Number & median income of households: http://www.census.gov/quickfacts/table/HSD410214/00 (Figures may not total due to rounding of decimals.)		

²⁹ See: http://www.pewforum.org/2015/05/12/chapter-3-demographic-profiles-of-religious-groups/pr_15-05-12_rls_chapter3-04/.

DISCUSSION AND CONCLUSION

The faith sector is undoubtedly a significant component of the overall American economy, impacting and involving the lives of the majority of the U.S. population. We conclude that our first estimate of the economic contribution of religion to the U.S. society (\$378 billion annually) is conservative and an undervaluation because it focuses on revenues rather than on the value of the goods and services provided by religious organizations.

We believe that our second estimate of \$1.2 trillion is a more reasonable estimate because it takes into account both the value of the services provided by religious organizations and the impact religion has on a number of important American businesses.

Our third estimate takes into account the energetic religious spirit identified by Tocqueville that motivated the public at large toward civic participation and economic vibrancy. Certainly the legacy of such things as the Protestant Work Ethic and Catholic Social Teaching, to name just two, continue to animate many millions of Americans in their work and life. We offer the third estimate of some \$4.8 trillion, not as a preferred estimate, but rather as an upper end estimate that takes these personal and social religious dynamics into account.

There are several important limitations of this study. First, it does not take into account the value of financial or physical assets of religious groups. Second, it does not account for the negative impacts that occur in some religious communities, including, as mentioned above, such things as the abuse of children by some clergy, cases of fraud, and the possibility of being recruitment sites for violent extremism. Obviously, such actions detract from the positive contributions made by religious institutions and adherents in the same way that they harm society in any context in which they occur – in homes, schools, businesses and friendship networks, as well as in civic, trade, political and governmental institutions. The most important limitation of this study is that the estimate of the fair market value of the goods and services provided by religious organizations is based on the proposition that the findings from Cnaan's and related halo effect studies can be extrapolated up to the national level. Our estimate the contribution of faith-based healthcare networks (\$161 billion annually) is likely also an underestimate because it only count revenues.

Despite these limitations, we believe that the data and estimates discussed in this article will be a useful starting point for further studies of the socio-economic contributions of religion to the United States and perhaps other countries as well. Future studies might fruitfully focus on at least six areas.

- First, future studies might consider refining, improving and tracking changes over time in annual revenues of religious organizations.
- Second, additional inquiry into the value of religion-related assets, such as endowments and property, would help to show the economic potential and capital that make many of the social services discussed above possible.
- Third, it would be helpful to improve estimates of the fair market value of goods and services provided by religious organizations, such as additional

fieldwork to estimate halo effects in diverse settings and varied organizational contexts.

- Fourth, careful cost-benefit analyses of faith-based programs versus public programs would be useful in evaluating religious programs relative to similar non-religious programs.
- Fifth, more frequent nationally representative surveys of congregations would allow trends and activities to be better understood and tracked.
- And sixth, a more detailed valuation of faith-based healthcare contributions is needed, including viewing their impact relative to non-faith-based healthcare systems.

The data are clear. Religion is a highly significant sector of the American economy. Religion provides purpose-driven institutional and economic contributions to health, education, social cohesion, social services, media, food and business itself. Perhaps most significantly, religion helps set Americans free to do good by harnessing the power of millions of volunteers from nearly 345,000 diverse congregations present in every corner of the country's urban and rural landscape.

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