

Conservative Protestants' Religious Beliefs Contribute to Their Low Wealth, Study Shows

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Conservative Protestants tend to save less and accumulate fewer assets than other Americans, and their religious beliefs contribute to their low wealth, according to a new study by a Duke University sociologist.

“We know that wealth ownership is extremely unequal in the U.S., and large numbers of families have little or no savings. However, sociologists and economists have just begun to explore why that is,” said Lisa A. Keister, Duke professor of sociology and author of “Conservative Protestants and Wealth: How Religion Perpetuates Asset Poverty,” published in the March issue of the *American Journal of Sociology*.

“While there is evidence that religion and wealth are related, what has been missing is a clear account of the process by which religion affects the wealth of believers,” she said.

The study examines why conservative Protestants are dramatically overrepresented at the bottom of the U.S. wealth distribution and concludes that the cultural understandings that accompany conservative Protestant beliefs influence wealth ownership directly and indirectly.

The direct influence stems from conservative Protestants’ unique approach to finances -- in particular the belief that people are managers of God’s money and excess accumulation of wealth should be avoided.

In addition, conservative Protestants have tended to be less educated and have large families beginning at younger ages; and fewer conservative Protestant women work, all of which indirectly contribute to slow asset accumulation, Keister said.

“Really the question is, ‘How does religion affect inequality?’ I’m identifying the mechanisms by which this happens for one group, but it can help us understand other groups as well,” she said.

Religious values and wealth

In the study, Keister examines the wealth of members of conservative Protestant churches, defined as members of churches with relatively traditional religious beliefs who accept the Bible as the inerrant word of God, value personal conversion experiences and emphasize the importance of the Christian faith to social issues. Some of the larger denominations are Assemblies of God, Baptist, Churches of Christ, Church of God in Christ, Nazarene and Pentecostal.

Wealth is defined as net worth, or total household assets minus total liabilities. Conservative Protestants have very low overall wealth: In 2000, median net worth for conservative Protestants was \$26,000 compared to \$66,200 for the entire National Longitudinal Study of Youth, the data used in the study.

Wealth is among the most fundamental indicators of well-being. Unlike income, which disappears with the loss of a job or the death of the earner, wealth endures.

“Wealth does have some very important advantages. Your wealth doesn’t go away if you lose your job, or if you have a medical problem,” Keister said. “You can also pass it to your kids. It can do all kinds of things for you.”

Keister drew on data from two data sets. Information about wealth and asset accumulation comes from the National Longitudinal Study of Youth, a survey that has been conducted by the Bureau of Labor Statistics since 1979. Keister used data on more than 6,000 people in the survey, which includes detailed information about family background, religious affiliation data and financial information.

Information about financial and work values comes from the Economic Values Survey, which includes information about 2,000 adults and was conducted by the Gallup Organization in 1992. The survey includes information about religious affiliation and values regarding work, money and savings.

How religion influences wealth

The Bible contains a large number of lessons about money and finances. About 2,000 verses of New Testament verses address the subject, Keister notes in the study.

Religious beliefs affect conservative Protestants' wealth in a number of ways. They influence wealth ownership directly by shaping the values that people use to make work and financial decisions. In particular, Biblical references to God's exclusive ownership of worldly goods lead to practices which are likely to reduce saving and asset accumulation.

Using the Economic Values Survey and the National Longitudinal Study of Youth, the study found that conservative Protestants tend to hold the following beliefs:

-- Divine advice, advice from clergy and other religious advice about money and work have merit. More conservative Protestants than other people surveyed are likely to pray about financial decisions, for example.

-- Excess accumulation of wealth is undesirable. More conservative Protestants said money prevents one from knowing God than other people surveyed.

Religious belief also can influence net worth indirectly through behavior that impedes the accumulation of wealth. This behavior includes:

-- Low educational attainment. Education is one of the strongest predictors of wealth, and conservative Protestants have significantly less education than members of other faiths.

-- Conservative Protestants tend to have children relatively early and to have large families, both of which make saving difficult. Also, conservative Protestant women tend not to work outside the family, which also reduces the ability to save. Saving and the resulting growth of assets “are perhaps the single biggest predictors of total adult wealth,” the study says.

The study examined three groups: People who were conservative Protestants in both childhood and adulthood; those who were raised conservative Protestants but left; and those who joined conservative Protestant churches as adults. It found that all three groups have relatively low wealth, but that the lifelong conservative Protestants had the lowest wealth, and those who joined the denominations as adults had the highest.

This suggests that values learned in childhood have a strong influence on saving and assets later in life, Keister said.

“Some people have just decided that saving money in my own bank account isn’t what they want,” she said, noting that conservative Protestants are among the most generous contributors to churches and related organizations. “Some people are consciously deciding to do other

things with their wealth.”

Keister notes that the results could be influenced by the conservative Protestants’ socioeconomic class, but she found that religion had a significant effect after controlling for class background, adult class and other indicators such as parents’ education and income.

Nor does race appear to be responsible for the effect of conservative Protestantism on wealth. She found that the effect was stronger among black conservative Protestants, but was significant among whites as well.

Wider implications of the findings

The association between cultural orientation and material outcomes is fundamental to sociology research, but Keister says it’s also important to understand the processes by which this happens.

The model used in the study could be used to understand the connection between religious values and wealth in other religious groups as well, she said. Mormons, for example, tend to be religiously conservative but are not asset-poor. And little is known about how other religious beliefs, such as those of Asian faiths, Islam and Eastern Orthodox Christians, affect wealth.

“We know very little about how people accumulate assets, about how they save. We don’t understand why people are where they are in the distribution,” Keister said. “These findings might help us begin to understand the process of accumulation.”

Study: www.journals.uchicago.edu/doi/full/10.1086/525506

Source: Duke University

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