

Study looks at role of private foundations in supporting religion

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While millions of Americans make individual contributions weekly at their places of worship, a new study by a Rice University sociologist finds private foundations have a disproportionate influence on the religious sector -- despite the fact that their contributions constitute only a fraction of all philanthropy to religion.

D. Michael Lindsay, an assistant professor of sociology at Rice, and co-author Robert Wuthnow, a Princeton University sociologist, wrote "Financing Faith: Religion and Strategic Philanthropy," the first major study of foundation giving to religion. It is published in this month's issue of the *Journal for the Scientific Study of Religion*.

Private foundations are influential in [religion](#) "because of their institutional independence, financial resources and unique ability to redirect energies within an institutional field," Lindsay and Wuthnow wrote.

One example cited by the authors is the Lilly Endowment, which "has infused hundreds of thousands of dollars into the religious sector with a strong preference to developing the leadership capabilities of pastors and church staff members. Over the last decade, the endowment has allocated nearly \$500 million to various programs across the country with the goal of recruiting, training and sustaining high-caliber ministry professionals." This kind of directed giving has real impact, according to the study.

The authors examined all grants between 1999 and 2003 reported by private foundations to the Foundation Center, which maintains the most comprehensive database on U.S. grants and grant-makers. They chose that five-year window because it represented a time that included both significant economic expansion (1999-2000) and retraction (2001) in the U.S. economy.

During that period, the Lilly Endowment was by far the biggest donor to religious organizations, awarding 1,473 grants totaling more than \$677 million. In second place was the Arthur S. DeMoss Foundation, with more than \$94 million in contributions.

Federal tax policy has played a significant role in affecting religious philanthropy, Lindsay and Wuthnow found. The Tax Reform Act of 1969 defined "private foundations" and regulated their activities. Since then, federal legislation has shaped philanthropic giving by defining a number of charitable giving vehicles, including donor-advised funds and supporting organizations.

The authors reached these major conclusions: Private foundations have significant, strategic resources that allow them to set agendas in the religious sector, even though grants to religious causes account for only a slim segment of all awards made by private foundations and foundation giving is only 5 percent of all religious giving. Also, social conditions such as rising secularism, religious pluralism and globalization pose significant challenges for the religious sector, and foundation giving may very well reshape the religious sector in the years ahead.

More information: www3.interscience.wiley.com/cgi-bin/jlist/123306110/PDFSTART

Provided by Rice University

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