

# Losing my Religion

## The Effects of Religious Scandals on Religious Participation and Charitable Giving

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# Motivation

- Strong positive correlation between religious participation and pro-social behavior (Putnam and Campbell, 2010).
- Problem: what is the direction of causality? (e.g. Gruber and Hungerman, 2008; Hungerman, 2012).
- Additionally: no consensus on mediating mechanisms.
  - Religious beliefs (e.g. Azzi and Ehrenberg, 1975; Thornton and Helms, 2013)
  - Social mechanisms (e.g. DellaVigna et al. 2012; Soetevent, 2005)

# Our Contribution

- Ideal experiment: randomize who “gets” to go to church and who does not.
  - E.g.: church parking vouchers, free bibles.
- We use a quasi-experiment: the U.S. Catholic-clergy sex abuse scandals as an exogenous shock on religious participation.
  - 1 Does religious participation decrease after scandals?
  - 2 If so: is there a corresponding decline in pro-social behavior and beliefs?

# Preview of Results

- 1 Permanent decline in religious participation following scandals.
- 2 Corresponding decline in charitable giving.
  - Implied elasticity of 0.43.
- 3 Religious beliefs, pro-social beliefs and other pro-social behavior were not affected.
  - More consistent with "social pressure" explanation.

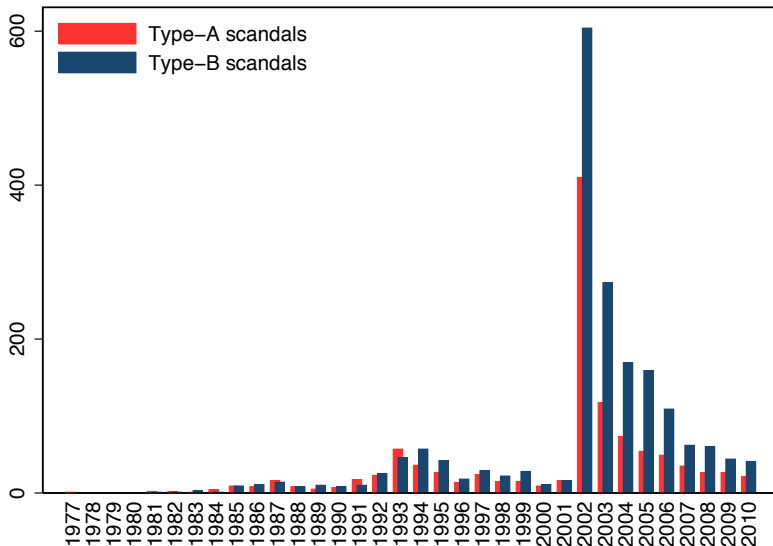
## Background: Catholic-clergy scandals in the US

- 5,786 priests (5.3% of all active priests in the US) had received at least one allegation (JJCCJ, 2004)
- Most allegations surfaced decades after abuse.
- Major event was Boston Globe article in Jan 2002.
- Our data combines listing in Bishop Accountability.org with several sources of complementary data.
  - Hundreds of research assistance hours made possible by Warburg Funds. Thanks Robert! :)
- Only interested in public accusations (regardless of veracity).

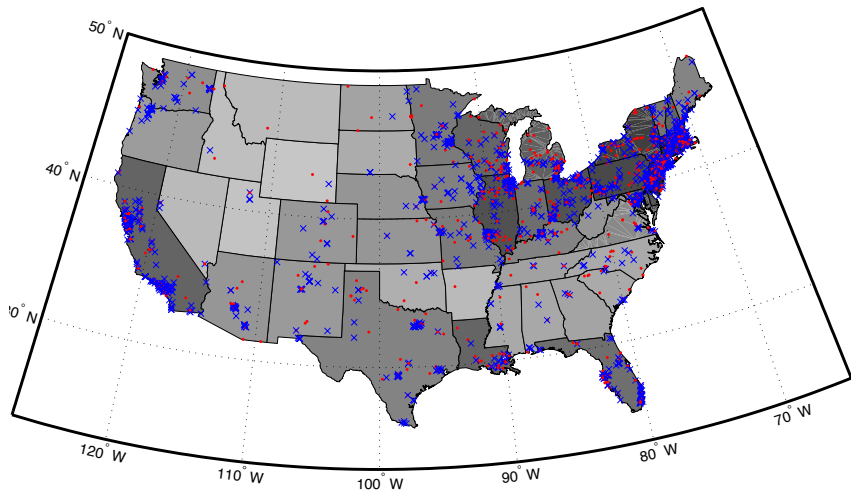
# Data: Catholic-clergy scandals

- Identify precise locations of priest appointments at time of accusation and alleged abuse (first news article with circulation in location)
- We identify two types of scandals:
  - ① **Type-A:** place and time clergy member is working when first accused (regardless of where abuse was committed).
  - ② **Type-B:** location where abuse took place and time when article mentioning episode was first published (in that location).
- Main specification pools both types of scandals.

# Temporal distribution of scandals



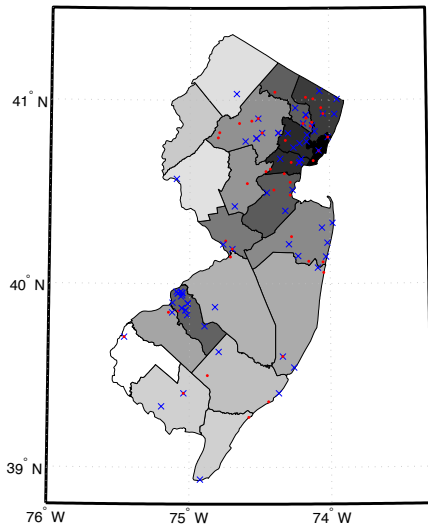
# Distribution of scandals: contiguous U.S. states



Type-A - Type-B



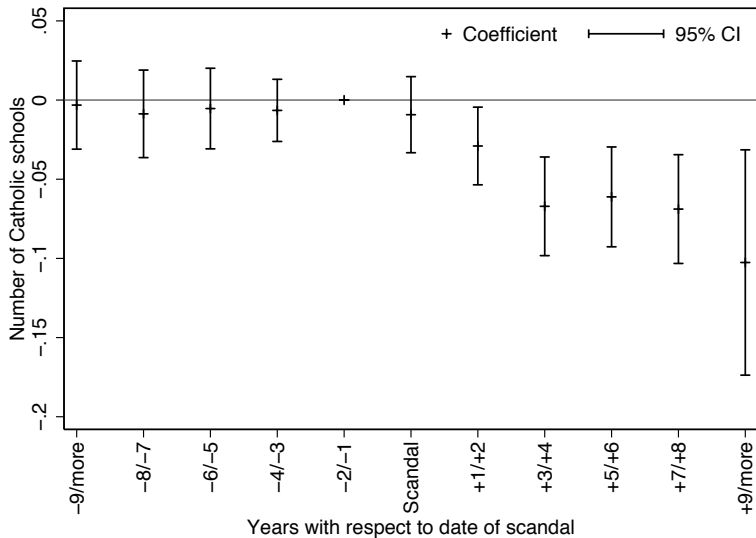
# Distribution of scandals: New Jersey



# Effect on Religious Participation and Beliefs

- Zip code level measures of Catholic/religious participation:
  - Catholic schools (Private School Survey, 1989-2010).
  - Employees in religious institutions (US Census Bureau, 1994-2010).
- Individual-level data on adherence, participation and beliefs:
  - General Social Survey (1994-2010).

# Event-Study results: Number of Catholic schools



## Results: Zip code level data

	Main Outcomes				
	(1)	(2)	(3)	(4)	(5)
	Catholic Schools	Log(Rel. Employees)			
Short-term (0-3 years)	-0.023* (0.012)	-0.011 (0.008)			
Long-term (4+ years)	-0.068*** (0.016)	-0.030*** (0.010)			
Pre-scandal	0.007 (0.011)	-0.001 (0.005)			
Obs. Zipcodes	64,746 5,886	247,676 19,052			

## Results: Survey data

	Rel. Affiliation		Rel. Participation		Rel. beliefs	
	(1)	(2)	(3)	(4)	(5)	(6)
	Catholic	Other-Rel.	Attends Church	Prays	Believes in God	Believes in Afterlife
Short-term (0-3 years)	-0.132** (0.052)	0.101** (0.050)	0.096 (0.062)	0.012 (0.078)	0.039 (0.067)	-0.006 (0.070)
Long-term (4+ years)	-0.090** (0.043)	0.014 (0.022)	-0.093** (0.039)	-0.086 (0.058)	-0.004 (0.062)	0.023 (0.035)
Pre-scandal	0.002 (0.008)	-0.006 (0.004)	-0.003 (0.011)	-0.003 (0.009)	0.020* (0.010)	0.015 (0.011)
Obs. Counties	7,469 319	7,469 319	7,444 319	4,913 311	3,549 293	5,724 317

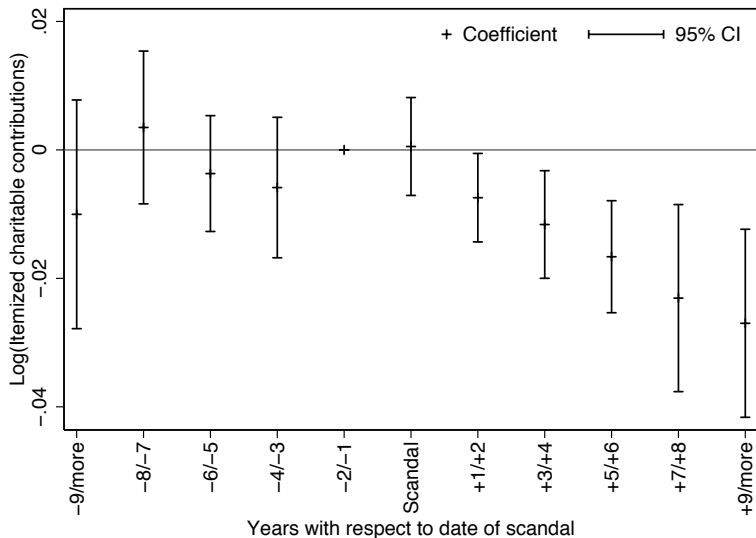
# Summary

- Long-lasting decline of 3% in religious participation (9% in Catholic participation).
- Event-study evidence suggest effect of scandals is causal.
- Further evidence that can be found in paper:
  - Falsification tests with several "fake" outcomes (e.g., Protestant schools, number of retail employees).
  - Effects focused on same-zipcode, with small spillovers to adjacent-zipcodes.
  - Similar effects from Type-A and Type-B scandals.
    - Even though both types of scandals have different consequences (e.g., Type-A scandals may involve removal of clergy while Type-B can involve abuse-related lawsuits).

## Second Step: Charitable Giving

- Measures of charitable giving:
  - Itemized charitable contributions reported by individuals (IRS 1040 form Schedule A, 1997-2008).
  - Contributions reported by charities (IRS form 990, 1989-2009).
- Provision of social services:
  - Number of employees in social service establishments (U.S. Census, 1998-2010).

## Results: Itemized charitable contributions





## Results: zip code level data

	Main Outcomes				
	(1) Catholic Schools	(2) Log(Rel. Employees)	(3) Log(All Cont.)	(4) Log(Catholic Cont.)	(5) Log(Social Services)
Short-term (0-3 years)	-0.023* (0.012)	-0.011 (0.008)	-0.003 (0.003)	-0.069 (0.051)	-0.032** (0.015)
Long-term (4+ years)	-0.068*** (0.016)	-0.030*** (0.010)	-0.013*** (0.004)	-0.129* (0.072)	-0.036** (0.018)
Pre-scandal	0.007 (0.011)	-0.001 (0.005)	0.004 (0.004)	0.061 (0.040)	-0.012 (0.013)
Obs.	64,746	247,676	175,415	4,067	110,630
Zipcodes	5,886	19,052	25,668	437	8,510

# Summary

- Long-lasting decline of 3% in religious participation translated into 1.3% decline in charitable giving.
  - Imply an elasticity of 0.43 that can fully explain the cross-sectional correlation.
- Effects on giving "mimic" effects on participation:
  - Evolution over time.
  - Focused on same-zipcode.
  - Similar effects from Type-A and Type-B scandals.
- Potential confounding factor: direct "outrage" effects from the scandals.
  - Inconsistent with several pieces of evidence: e.g., lack of effects of non-religious scandals, lack of effects on trust, etc.

## Second Step: Pro-Social Beliefs and Behavior

- Pro-social beliefs from GSS data:
  - Trust in others: *Can most people be trusted?*
  - Thinks others are fair: *Do you think most people would try to take advantage of you if they got a chance, or would they try to be fair?*
  - Wants to help others: *How important is it to help others?*
- Pro-social behavior from zip code level data:
  - Voting turnout.
  - Census mail response rate.
  - Individual campaign contributions.

## Effects on pro-social beliefs

	(1) Trust in Others	(2) Thinks Others Are Fair	(3) Wants to Help Others
Short-term (0-3 years)	-0.124 (0.162)	-0.017 (0.159)	-0.035 (0.146)
Long-term (4+ years)	0.044 (0.158)	-0.046 (0.113)	0.006 (0.111)
Pre-scandal	-0.023 (0.021)	0.000 (0.023)	-0.001 (0.022)
Obs. Counties	4,734 314	4,422 314	4,071 312

## Effects on other forms of pro-social behavior

	(1) Log(Char. Contribution)	(2) Log(Political Contribution)	(3) Log(Census Resp. Rate)	(4) Log(Voting Turnout)
Short-Term (0-3 years)	-0.003 (0.003)	0.042* (0.021)	-0.002 (0.003)	0.003 (0.004)
Long-Term (4+ years)	-0.013*** (0.004)	-0.003 (0.019)	0.002 (0.002)	-0.001 (0.004)
Pre-scandal	0.004 (0.004)	-0.018 (0.027)	0.003 (0.003)	-0.015 (0.044)
Zip/County	Zip	Zip	Zip	County
Obs.	175,415	43,748	45,619	15,213
Zips/counties	25,668	10,937	27,032	3,090

# Discussion

- Why is charitable giving so affected but not other pro-social behavior and beliefs?
  - Effect on giving may be explained by social mechanisms: e.g., social pressure, solicitation, social norms, etc.
- Caveats for lack of effects on religious beliefs, pro-social beliefs and other forms of pro-social behavior:
  - Changes in participation earlier in life could be different.
  - Effects in other religious denominations may be different.

# Conclusions

- Scandals had a significant impact on charitable landscape (e.g., over 2.5 billion per year in contributions).
  - An order of magnitude larger than direct costs to Catholic church.
- Evidence that religious participation causes charitable giving.
- Fall in participation during adulthood may not affect religious beliefs, pro-social beliefs or other forms of pro-social behavior.