

ECO 3895: Capitalism and Religion

Dr. Luke Petach

Fall 2023

E-mail: luke.petach@belmont.edu

Office Hours: MW 10am-11am, 1pm-4pm

Office: BMRC 344

Class Hours: 11:00am-11:50am MWF

Class Room: BMRC 100

Course Description

This course will explore the relationship between capitalism and religion. We will attempt to provide answers to questions such as: (1) What is capitalism? (2) What role did Christianity and other world religions play in the historical development of the capitalist system? (3) How do markets impact religious decision making? (4) What (if any) was the role of state-sponsored religion in the history of capitalism? (5) What do ethics and theology say about how we *should* act in markets? In each section of the course we will look for insights that can help us understand and respond to important contemporary economic, political, and religious issues.

Required Materials

- Rogan, T. 2017. *The Moral Economists*. Princeton: Princeton University Press.
- Tawney, R.H. 1937. *Religion and the Rise of Capitalism*. (I use the Verso edition, but there are several different editions available, all of which would work fine).
- Barro, R., and McCleary, R. 2019. *The Wealth of Religions: The Political Economy of Believing and Belonging*. Princeton: Princeton University Press.
- Additional assigned readings will be posted on Canvas.

Diversity, Equity, and Inclusion

I am dedicated to creating a safe and supportive learning environment for all people regardless of gender, race, ethnicity, socioeconomic status, religion, sexual orientation, or disability.

Mission Statement of the Massey College of Business

The Jack C. Massey College of Business is a Christ-centered, student-focused, and entrepreneurial learning community, cultivating impactful leaders who are recognized for their business expertise and moral clarity in pursuit of a flourishing world.

Prerequisites/Corequisites

Prerequisites: none.

Course Objectives

Successful students will be able to:

1. Communicate effectively.
2. Demonstrate a more advanced understanding of economic concepts and principles, including techniques of historical and institutional analysis.
3. Apply economic reasoning to personal and professional decision making, including the religious sphere.
4. Utilize a broad historical approach to understand contemporary developments in economic, political, and religious institutions.

Course Requirements

Attendance

Belmont University is committed to the idea that regular student engagement is essential to successful scholastic achievement. Absence is permitted in cases of illness or other legitimate cause, as determined by the professor. Attendance and engagement are assessed from the first class meeting, whether in the traditional classroom setting, in an online classroom, or a hybrid of the two. Late registrants will automatically have accrued some absences prior to formal registration in the course. In the case of an excused absence from class, students have the right and responsibility to make up all class work missed. If a student demonstrates no engagement in more than 20% of in-person, synchronous online, and/or asynchronous online sessions, the faculty member may assign the grade "FN" (failure for non-engagement) to that student. For this course, engagement will be assessed via attendance and participation at class meetings.

Use of Electronics

All electronics must remain **off** during class.

Reading Responses (100 Points)

Each week I will pose between one and three reading response questions to the class. You will have between ten and fifteen minutes to answer these questions in writing at the start of the class period. I will not be offering in-depth feedback on these responses. Instead, I will use a simple system of ✓+, ✓, ✓-, or 0, depending on how well you answer the question and to what extent your answer indicates that you did or did not do the reading. At the end of the semester the average quality of your reading responses will determine how many of the 100 possible points you receive in this grading category.

Midterm Paper (100 Points)

A five to seven page paper addressing a topic covered in the first half of the course: i.e., a paper on Tawney, Polanyi, Social Choice Theory, or some other topic covered by Rogan. Appropriate topics for this paper could include—but need not be limited to—a critical response to a question raised in the reading, a critique of an argument discussed in the reading, or an extension of one of the arguments found in the reading.

Literature Review and Research Proposal (100 Points)

At the end of the semester you will turn-in a six to ten page comprehensive literature review and research proposal addressing a particular topic in the contemporary economics of religion. Possible topics include the relationship between religion and economic growth, the impact of economic regulation on religious participation, the role of religious norms and institutions in constraining economic behavior, etc. The research proposal must include: a clear research question with a strong motivation, a review of the existing academic literature, and a discussion of proposed data sources and research methods—i.e., what data sources will you use? why are the chosen data sources appropriate for your question? how will you conduct the analysis? (while you are not expected to have completed any data analysis at this time, extra points may be given if you show substantial progress on this front, e.g., by presenting summary statistics or preliminary statistical analysis). Students having difficulty selecting a research question or finding data appropriate to their topic are encouraged to talk to me sooner than later. Students will make an effort to demonstrate how economic phenomena are influenced by religious context, and/or how religious behavior is influenced by economic incentives.

Final Exam (100 Points)

There will be a comprehensive, written, take-home final examination at the end of the semester.

Grading Policy

Final grades will be calculated out of a total of 400 points.

Unless you have an excuse from the Provost **I do not accept late work.**

Grading Scale

A standard grading scale will be used:

A: 93.5% and up. A-: 90%-93.4%. B+: 87.5% - 89.9%. B: 83.5% - 87.4%.

B-: 80%-83.4%. C+: 77.5% -79.9%. C: 73.5% - 77.4%. C-: 70% - 73.4%.

D+: 67.5%-69.9%. D: 63.5%-67.4%. D-: 60%-63.4%. F: Below 60%.

University Policies

Honor Code

The Belmont community values personal integrity and academic honesty as the foundation of university life and the cornerstone of a premiere educational experience. Our community believes trust among its members is essential for both scholarship and effective interactions and operations of the University. As members of the Belmont community, students, faculty, staff, and administrators are all responsible for ensuring that their experiences will be free of behaviors, which compromise this value. In order to uphold academic integrity, the University has adopted an Honor System. Students and faculty will work together to establish the optimal conditions for honorable academic work. Following is the Student Honor Pledge that guides academic behavior:

"A Bruin does not lie, cheat, or steal, and does not tolerate those acts."

Accommodation of Disabilities

In compliance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act, Belmont University will provide reasonable accommodation of all medically documented disabilities. If you have a disability and would like the university to provide reasonable accommodations of the disability during this course, please notify the Office of the Dean of Students located in the Beaman Student Life Center (615-460-6407) as soon as possible.

Course Evaluations

Belmont University provides all students with the opportunity to evaluate their courses. Toward the end of each semester, students will be made aware that the online course evaluations are open. Students are expected to participate in course evaluations when they are made available.

Tentative Course Schedule

The tentative course outline will be as follows. I reserve the right to diverge from this outline based on the pace of the course. In what follows I will use "T" to refer to Tawney (1937), "BM" to refer to Barro and McCleary (2019), and "R" to refer to Rogan (2017). All other assigned readings will be referenced by the appropriate author/year citation. Any assigned readings not in the textbook(s) will be posted on Canvas. All readings for a given week should be completed by the first class period of that week.

Week 01, 08/21 - 08/25: Introduction + What is Capitalism?

- Heilbroner, R. 2008. "Capitalism." *New Palgrave Dictionary of Economics*.

Week 02, 08/28 - 09/01: R.H. Tawney and the Moral Critique of Capitalism

- R. Introduction
- R. Ch. 1.

Week 03, 09/04 - 09/08: *Religion and the Rise of Capitalism: Part 1*

- **No Class Monday, 9/4, Labor Day Holiday.**
- T. Ch. 1.
- T. Ch. 2 (section ii).

Week 04, 09/11 - 09/15: *Religion and the Rise of Capitalism: Part 2*

- T. Ch. 3 (section iii).
- T. Ch. 4 (section iv).
- T. Conclusion.

Week 05, 09/18 - 09/22: Karl Polanyi

- R. Ch. 2.
- Selected Readings from Polanyi, K. *The Great Transformation*.

Week 06, 09/25 - 09/29: Social Choice Theory

- R. Conclusion
- Sen, A., 1998. "The Possibility of Social Choice."

Week 07, 10/02 - 10/06: The Economic Approach to Religious Behavior

- BM. Chapter 1.
- BM. Chapter 2.
- Gruber, J., and Hungerman, D. 2008. "The Church Versus the Mall: What Happens When Religion Faces Secular Competition?" *Quarterly Journal of Economics*, 123(2): 831-862.
- Iannaccone, L. 1995. "Voodoo Economics? Reviewing the Rational Choice Approach to Religion." *Journal for the Scientific Study of Religion*, 34(1): 76-88.

Week 08, 10/09 - 10/13: Religion and Economic Growth (Midterm Paper Due Friday)

- BM. Ch. 3.
- BM. Ch. 4.
- Becker, S., and Woessmann. 2009. "Was Weber Wrong? A Human Capital Theory of Protestant Economic History." *Quarterly Journal of Economics*, 124(2): 531-596.
- Caicedo, F. 2019. "The Mission: Human Capital Transmission, Economic Persistence, and Culture in South America." *Quarterly Journal of Economics*, 134(1): 507-556.

Week 09, 10/16 - 10/20: State Religion

- **No Class Monday 10/16, Fall Break.**
- BM. Ch. 5.
- Adam, A., and Tsarsitalidou, S. 2023. "Serving Two Masters: The Effect of State Religion on Fiscal Capacity." *Public Choice*, 194: 181-203.
- North, C., and Gwin, C. 2004. "Religious Freedom and the Unintended Consequences of State Religion." *Southern Economic Journal*, 71(1): 103-117.

Week 10, 10/23 - 10/27: Religious Clubs

- BM. Ch. 6.
- Iannaccone, L. 1992. "Sacrifice and Stigma: Free-riding in Cults, Communes, and Other Collectives." *Journal of Political Economy*, 100(2): 271-291.
- Krueger, A., and Maleckova, J. 2003. "Education, Poverty and Terrorism: Is There a Causal Connection?" *Journal of Economic Perspectives*, 17(4): 119-144.

Week 11, 10/30 - 11/03: Religion and Politics

- Dills, A., and Norton, D. 2022. "Sincerely Held Beliefs: Evidence on How Religion in the Classroom Affects Private School Enrollments." *Public Choice*, 192: 145-167.
- Scheve, K., and Stasavage, D. 2006. "Religion and Preferences for Social Insurance." *Quarterly Journal of Political Science*, 1: 255-286.
- Chaney, E. 2013. "Revolt on the Nile: Economic Shocks, Religion, and Political Power." *Econometrica*, 81(5): 2033-2053.

Week 12, 11/06 - 11/10: Religion and Public Health

- Giles, T., Hungerman, D., and Oostrom, T. 2023. "Opiates of the Masses? Deaths of Despair and the Decline of American Religion." *NBER Working Paper*.
- Hill, E., Slusky, D., and Ginther, D. 2019. "Reproductive Health Care in Catholic-Owned Hospitals." *Journal of Health Economics*, 65: 48-62.
- Bentzen, J. 2021. "In Crisis, We Pray: Religiosity and the Covid-19 Pandemic." *Journal of Economic Behavior and Organization*, 192: 541-583.

Week 13, 11/13 - 11/17: Religious Scandals

- Bontan, N., and Perez-Truglia, R. 2015. "Losing my Religion: The Effects of Religious Scandals on Religious Participation and Charitable Giving." *Journal of Public Economics*, 129: 106-119.
- Frick, B., Moser, K., and Simmons, R. 2021. "Spillover Effects of Scandals on Exits from the Catholic and Protestant Churches in Germany." *Journal for the Scientific Study of Religion*, 60(3): 482-497.

Week 14, 11/20 - 11/24: Thanksgiving Week

- **No Class Monday: Luke at a Conference**
- **No Class Wednesday/Friday: Thanksgiving Break**

Week 15, 11/27 - 12/01: Religion and Constitutional Political Economy

- Buchanan, J. 1994. "Choosing What to Choose."
- Buchanan, J. 1991. "The Economic Origins of Ethical Constraints."
- Buchanan, J. 1965. "Ethical Rules, Expected Values, and Large Numbers."

Week 16, 12/04 - 12/08: Conclusion + **Research Proposals Due**

- Last class and research proposals due on Monday 12/4. We will spend the class period discussing each of your proposals. Please come to class prepared to (briefly) explain your work. **Final Exams begin Friday 12/8.** Take-home final exam will be due on Canvas at the end of the university-assigned final exam period.