Abstract

Within most countries, as well as on the international stage, faith-based organizations (FBOs) are full participants in complex policy networks in some policy areas (health, education, and social services), while in other issue areas FBOs have minimal if any impact. This paper identifies the key determinants of diverse relationships among the leaders of religious and political organizations, and offers a framework for the analysis of what I call “comparative religion policy.” Although not yet recognized as a distinct policy area, many government policies directly or indirectly manipulate the incentives and disincentives of political participation, as seen by religious believers. This paper develops an informal model of the sequential process through which the natural expression of religious concern (frequently through the establishment of a formal FBO) leads to political consequences which are then encouraged or discouraged by public authorities, resulting in distinctly different patterns of policy collaboration in different policy areas and in different institutional settings. This paper concludes with a discussion of alternative criteria by which the positive and negative consequences of increased FBO participation, for specific policy areas and for society as a whole, might be evaluated.
Comparative Religion Policy: Understanding Patterns of Religious Participation in Public Policy

As part of a natural expression of their religious faith, many believers engage in behaviors that have direct or indirect consequences on politics or public policy, typically through their participation in faith-based organizations, or FBOS (to be defined below). In response, public officials enact policies that impact, directly or indirectly, on the activities of FBOs and more generally on the personal expression of religious faith and commitment.

Even in the United States, where church and state supposedly lie on opposite sides of a formidable wall of separation, the reality is that many national, state, and local officials interact with religious organizations on a regular basis. For example, Stritt (2008) offers a detailed accounting of the contributions that religious organizations make in the area of social welfare policy. After combining estimates drawn from a wide range of sources, including estimations of the dollar value of volunteer labor, he concludes that approximately 30% of the $175 billion that is spent annually on welfare policy in the U.S. goes through faith-based organizations, either via direct contributions or in the form of government contacts. His analysis explicitly excludes health, education, or international policy areas, so it grossly underestimates the policy value of religion in the U.S.

In this paper I outline a framework for the comparative analysis of religion policy, a term I have concocted to encompass all the legal, regulatory, financial, and symbolic activities undertaken by public officials that involve cooperation with leaders of religious organization, or which have direct or indirect impacts on religion. Typically the goals behind these policies have nothing to do with religion per se, but are instead grounded in a surprisingly wide array of public concerns. It remains to be seen whether or not it makes sense to aggregate all of these diverse policies into a single area of study, but it is worth pointing out that most substantively-defined areas of policy encompass similarly diverse modes of behavior.

Given the author’s limited areas of expertise, all examples discussed here deal with domestic policy in the U.S. or with policies related to international assistance. Still, the framework developed here should prove equally useful for application to policies in other countries and cultural regions. Since public officials in all political settings engage in distinct patterns of interaction with those religious organizations most active in their own areas of responsibility, it seems reasonable to presume that there is room for development of a field of study that could be known as comparative religion policy. This paper is intended to help spur development of that field of study.

Religion policy involves many connections between religious organizations and public policy. Most governments subsidize religious organizations that provide emergency shelter, food, rehabilitation and other welfare services to poor or displaced citizens. Many hospitals retain official ties to the religious organizations which founded them. Public officials may prohibit, allow, or subsidize the establishment of religious schools, as well as regulating certain aspects of their curriculum. Individual religious leaders may be rewarded for contributing to electoral campaigns or for other expressions of support for the party in power. In a few countries, connections between religious and political power may become very close indeed. Every year a few diplomatic incidents arise when limits on proselytism or conversion in one country interferes with the freedom of citizens from other countries engaged in missionary activities (McGinnis 2007b). Even governments that generally guarantee religious freedom still impose some restrictions on certain means of religious expression in the interest of protecting public order and safety. Finally, political authorities may or may not interfere in internal religious disputes.
Religion policy may be studied at any scale of aggregation. In this paper I focus on patterns of interaction between agents of religious and political organizations, especially those related more with practical policy implementation than with voting or partisan mobilization. My analysis focuses on this intermediate level of analysis, directed at connections among those political and religious organizations which comprise policy networks. Informally, a policy network consists of all the public, private, voluntary, or community-based organizations that interact to determine and to implement public policy on some substantive issue. A policy network may include elected representatives, but typically real policy is set by some combination of bureaucrats, appointed officials, technical experts, policy analysts, lobbyists, staff members for elected officials, business leaders, and managers of nonprofit organizations or other forms of voluntary association.

Two fundamentally different types of religious organizations are often distinguished by policy analysts, namely, (1) congregations and related organizations primarily focused on doctrines, ritual, and other matters directly related to the shared experience of worship and (2) faith-based organizations (FBOs) which are directly involved in the delivery of health care, emergency relief, education, or other public welfare services. Some service programs, especially small-scale programs like food pantries, are directly implemented through a congregation or other basic unit of a religious community (Ammerman 2005, Chaves 2004, Unruh and Sider 2005). In other instances, service programs are set up as separate nonprofit organization, which can simply things in terms of tax liability and other legal concerns. It is the larger and more established FBOs, such as Catholic Charities or the Salvation Army, that are especially closely tied to public agencies (Monsma 1996, 2004, Wuthnow 2004, Ebaugh et al. 2005) and whose contributions are critical in such areas of social policy as emergency shelter, food aid, or disaster relief. Some of these programs are so well-established and professionally run that they are effectively indistinguishable from secular programs, except perhaps for the use of a religious term in their title. Yet in other cases a connection to religion may make a significant difference.

Technically, the term faith-based organization (FBO) is best reserved for organizations specializing in the delivery of some particular form of service (food, shelter, education, health care, personal rehabilitation, etc.) and which base at least some aspect of their programs on religious inspirations or personnel. There is no consensus on what exactly makes a service organization “faith-based,” (Berger 2003, Ebaugh et al. 2003, Jeavons 1994, 1998, Smith and Sosin 2001, Unruh and Sider 2005), but the basic idea is that an FBO is affiliated in some way with a religious tradition but that it was established to achieve purposes that could not be subsumed under the purview of purely religious activities. The religious component may come in many forms, ranging from explicit formal connections to a particular denomination or religious organization (which may provide the facilities in which the program is housed and/or the individuals who oversee the management of that program), to donations from members of a religious community (who may also serve as volunteers in the implementation of these programs), or to the incorporation of particular details of the program itself (perhaps including overtly religious activities such as scripture reading groups or prayer sessions). Some FBOs may be indistinguishable from secular programs, except perhaps for the use of a religious term in their name. Clearly, the extent to which such programs are directly influenced by religion varies widely, making this term difficult to pin down with any specificity.

Within the United States, the most successful faith-based organizations in any given area of activity often become intimately linked with the public agencies, secular nonprofits, and private for-profit corporations which are also heavily involved in that area of public policy. Globally, religious organizations have long played important leadership roles in what has come to be known as the
international community: a global network of national governments, intergovernmental organizations (IGOs), and an amorphous constellation of nongovernmental organizations (NGOs) specializing in humanitarian assistance, development, conflict resolution, human rights, democracy promotion, and post-conflict reconstruction or reconciliation. As such, international or transnational faith-based organizations are critical components in the formulation and in the implementation of public policy at the global level, as well as at national and local levels throughout the world.

This paper outlines a preliminary framework for analysis that might help explain the origins and development of the many different patterns of interactions between FBOs and their partners in public service delivery (with examples drawn mostly from domestic U.S. policy and the global policies listed above). Faith-based service organizations (FBOs) are full participants in complex policy networks in policy areas such as health, education, and social services, while in other issue areas (infrastructure construction, to take one example) FBOs have minimal if any impact. Later in this paper an informal model of the sequential process through which FBOs are established and later respond to incentives set by political authorities is used to suggest conditions under which different levels of FBO participation in policy networks should be expected. After examining the relevant incentives for leaders of religious and policy organizations, this paper concludes with a brief evaluation of the normative consequences of increased FBO participation, both for members of that policy network and for society as a whole.

**Analytical Preliminaries**

My effort to understand the effect of religion on domestic and global public policy has been shaped by one fundamental premise: people involved in religious activities are just as rational as those same people when engaged in explicitly political or economic activities, rational in the sense that they pursue their own goals in as effective a manner as possible. I emphasize my presumption of the rational basis of religious organizations because it is far too easy for unsympathetic observers to dismiss religion as unworthy of serious consideration. As a social scientist, I prefer to presume that there is indeed some consistent logic behind the behavior of faith-based service organizations and the religious believers who animate them, and that this logic is amenable to systematic analysis and comprehension.

More specifically, I draw upon the approach to institutional analysis developed by Vincent and Elinor Ostrom, co-founders of the Workshop in Political Theory and Policy Analysis at Indiana University. As current Director of that Workshop, I take great pride in having been able to work closely with them, long before Elinor Ostrom received the 2009 Nobel Prize in Economic Sciences.¹

Institutional analysis treats rationality as the core component of human choice in all areas of endeavor.² Individuals are presumed to pursue goals for themselves and for the communities to which they identify but they must do so within the context of ubiquitous social dilemmas and biophysical constraints, as well as cognitive limitations and cultural predispositions. When a group of rational individuals realizes that they need some regular means to coordinate their behavior in order to accomplish some shared goals, then they may choose to establish and operate a formal organization (or more informal institutional arrangement). From this perspective, all types of religious organizations face the full spectrum of the same dilemmas of collective action that challenge secular organizations, and as a consequence they experience a similarly mixed record of positive and negative results.

The analysis presented in this paper falls between two broad and active traditions of research in which the tools of modern political economy have been applied to the study of religion and some of its
organizational manifestations. The first tradition of research, dating back at least as far as Adam Smith (1776), evaluates the consequences of different macro-level patterns of interaction between religious leaders and political authorities. Researchers in this tradition have examined the consequences of a competitive marketplace in religion on religious participation and/or economic growth, as well as other macro-level patterns in relations between political and religious systems at the national level (Iannoconne 1994, 1998, Gill 2001, Stark and Finke 2000; Finke and Stark 2005). Briefly, the rational choice theory of religion implies all available niches (as defined by different constellations of consumer tastes for religious products) will be occupied by suppliers of religious experiences, as long as there are no externally imposed restrictions on the formation and promulgation of new faiths.

Religious entrepreneurs search for innovative ways to enhance the religious experience, in order to attract sufficient levels of resources and supporters. Since tastes vary and there is no direct means of measuring product quality in a religious market, we should expect to observe a wide array of available products in a competitive setting. The aggregate picture is one of endless religious energy finding expression in an ever-expanding array of alternative forms, along with a natural dynamic tendency for established products to change over time. Without this energy the religious sector of the public economy might eventually degenerate into a form indistinguishable from secular pursuits.

My analytical point of departure is the presumption that the same methods of rational choice theory that have proven their utility in the study of religion can be directly extended to provide explanations for long-standing patterns of strategic interactions between FBOs and other types of organizations.

In the second body of research that serves to bracket the approach outlined in this paper, researchers investigate macro-level patterns of religious stratification and compare patterns of religious persecution and political conflict in different countries (see especially Fox 2006, 2008, Grim and Stark 2006). In some countries, one religious tradition has been singled out for particular prestige. It may be declared the official state religion or its scriptures enshrined as the ultimate basis of legal authority. Other religions, usually a few in number, are assigned a lower status but still enjoy ready access to public support for charitable activities or religious schools. For example, China designates five religions as officially permitted, and India grants Islamic and a few other communities the right to implement family law on a religious basis. A third category of status is occupied by a large number of faiths whose existence is tolerated but rarely supported in any direct fashion. Finally, there are some faiths that are denied full recognition by political authorities. Members of new faiths designated as dangerous “cults” or seen as proxies for foreign governments may be prohibited from owning property, proselytizing, or even engaging in worship activities. The identity of the specific faiths assigned to these categories differs across countries, but this pattern is prevalent. Even overtly secular regimes make connections with some religious faiths while denying similar rights to smaller or more unfamiliar faiths.3

Identifying Policy Networks

In this paper I focus on a meso-level of analysis, nestled between micro-level evaluations comparing the behavior of individual organizations and macro-level patterns of interaction between religion and national politics. Specifically I distinguish among the patterns of interaction that can be observed in different issue areas or issue domains, conceptualized as distinguishable substantive subsectors of the overall public economy. The concept of issue area remains essential to the study of public policy, even though no one has been able to provide the foundation for a consensus definition of this term.4 So I proceed more informally, presuming that clusters of substantive issues can be identified in which many
of the same actors interact with each other in a routine fashion, coping with many of the same policy problems year after year. In doing so, they constitute a policy network.

For some analysts, members of a policy network typically share a common belief system, or at least a common understanding of the underlying nature of the policy problems to which they jointly respond (Sabatier 2007). For others, a regular pattern of interaction is sufficient to define a network, and attention shifts to how participants of different forms and with contradictory interests manage to interact in a productive manner (Bryson et al. 2006). In the literature on American public policy, researchers have long been struck by the regularity with which the same actors tend to continue to interact with each other, and especially by the ways their interactions tend to take the form of mutual adjustment to each other’s interests and behaviors. Regular interactions tend to result, perhaps not surprisingly, in an overwhelming pattern of incremental change (Lindblom 1959). Although individual political leaders may come and go as a consequence of such dramatic effects as elections, for the most part many of the same policy implementers remain in place, or at most exchange roles with each other. When dramatic events do occur, they may be treated as temporary punctuations that eventually settle down into a new equilibrium, or as a temporarily open policy window that, once closed, sees the newly established patterns of interaction once again operate far from public scrutiny (see Sabatier 2007).

Although there may be pressures for conformity within a policy network and for incrementalism within any given issue domain, there remain dramatic differences among the policy networks active in different areas of public policy. Some such differences in the individual composition of policy networks seems inevitable, for each policy area will have some experts trained in the particular forms of technical knowledge most relevant to these substantive problems. However, each and every policy network includes not just actors with a professional or technocratic mindset but also many other actors who are more closely attuned to changes in the public mood or changes in partisan political alignments. Not only are different political actors entrenched in different issue areas, but these are dominated by different configurations of economic interests and/or of epistemic understandings. This is the basic idea behind the still-classic effort of Lowi (1964) to delineate substantially different configurations of economic interest, political participation, and policy outcomes, even though the exact contours of different configurations remains unresolved.

To my knowledge there has been no research that explicitly compares the roles that faith-based service organizations or other religious-based actors play in the policy networks active in different sectors of the public economy. In a very useful overview of the third or voluntary sector, Salamon (1999) provides detailed assessments of the diverse roles that nonprofit organizations play in several of the most important sectors of the U.S. public economy. This book includes a separate chapter on purely religious organizations, whereas the contributions of faith-based service organizations are summarized in chapters on each substantively defined sector, along with other relevant nonprofits. As a consequence, the overall configuration of the faith-based subsector remains unclear (Cadge and Wuthnow 2006).

My initial effort to classify policy areas on the basis of the level of FBO involved is given in Table 1. These distinctions are based on my understanding of the overall patterns of public policy in two broad arenas, domestic U.S. politics and the ways in which the “international community” responds to crises, war, and poverty. In subsequent research I intend to identify analogous patterns of policy implementation in other countries and other policy contexts.
At the top of Table 1 are listed those issue areas in which faith-based organizations (FBOs) tend to be most tightly intertwined with the rest of the relevant policy networks. The common theme unifying all the elements listed in this row is the underlying concern of many religions for the fate of the downtrodden, and the salience of religious imperatives towards charity. In the U.S., religious hospitals still play a major role in the health care system, even though it has become increasingly difficult to distinguish among hospitals originally established by churches, communities, or for the purposes of making a profit (Salamon 1999). FBOs play similarly critical roles in many areas of social policy, especially for emergency shelter, food pantries or soup kitchens, disaster relief, and other forms of social welfare.

At the global level, Catholic Relief Services, Lutheran World Relief, and World Vision International are especially well-known examples of large organizations that play critically important roles in the delivery of emergency food aid, health care, shelter for refugees, and other forms of humanitarian aid (Nichols 1988; Kniss and Campbell 1997; McCleary 2009, Thaut 2009). Here the connection between government and religious nonprofits is both longer-standing and less controversial than in the domestic policy arena.

The second row of Table 1 includes examples of policy areas in which the faith-based components are important but mostly separate from the rest of the policy network. In the area of elementary and secondary education in the U.S., for example, Catholic, Lutheran and a few other religions’ schools retain their distinctive role. To some extent these schools are subjected to many of the same regulations as public schools, but in other ways they receive special treatment. Religious support for home-schooling as an alternative form of education is also increasing in importance. In a similar way, religious communities are serviced by media outlets (magazines, radio and TV stations, etc.) that cater specifically to their tastes for religion-friendly information, and these channels of communication help to sustain relatively distinct religious subcultures.

Similar forms of religious communities are maintained at the international level, uniting people with shared religious beliefs who happen to live in different political jurisdictions. Some transnational religious communities retain importance in today’s globalized world. Despite the past prevalence of the pattern in which Christian missionaries were sent from the more developed countries of Europe or North America to the rest of the world, in today’s increasingly interconnected world it is more appropriate to speak of missionaries from everywhere to everywhere (Jenkins 2003, Robert 2000, Pocock et al. 2005). Although many missionaries are, or have been, primarily motivated by their felt need to share their religious faith with others, many of these same missionaries have, in the process, established schools and health clinics. The extent to which 18th and 19th century missionaries were essentially tools or stooges of Western imperialism remains controversial, yet no one can deny the very real consequences of these activities on the shape of today’s world. And, it is important to emphasize, the missionary enterprise is still very much alive, and today’s missionaries are just as likely to conflate religious and practical activities (McGinnis 2007a).

The next and largest row of Table 1 includes several examples of issue areas in which faith-based service organizations play some occasionally important roles, but roles that are concentrated on some limited range of issues of special interest to religious believers. Examples are arrayed in roughly decreasing order of importance or centrality to their respective issue domains.

Many of the same international faith-based organizations active in the delivery of humanitarian relief have extended their operations into the closely-related area of international development assistance. Development can proceed more regularly in times of peace, and religious activists have long been...
concerned with the search for peace, whether or not it leads to development. Particular religious leaders and organizations have played important roles in resolving certain conflicts at the international level, with efforts by Quakers, Mennonites and other the traditional peace churches being most easily identified as such (Cejka and Bamat 2003; Little 2007). However, for the most part the mechanisms of international diplomacy are carried out with little direct participation by FBOs (but see Johnston and Sampson 1994; Johnston 2003). The one exception, the one area of international peacemaking in which religious participation is uniquely essential, is the area of achieving a peaceful reconciliation among warring groups, especially at the level of local communities (Appleby 2000; Smock 2002, Schrich 2005). Typically such peace and reconciliation conferences require participants to join together in some locally meaningful ritual, which helps them come to a mutual recognition that past abuses on all sides need to be forgiven if both sides are to move forward.

Domestically, a similarly transformative experience lies at the heart of many programs of rehabilitation for drug addicts or hardened criminals. Although FBOs play a relatively small role in the broader area of job-training or professional development (Kennedy and Bielefeld 2006), some have developed strong reputations for their programs to rehabilitate repeat offenders (Mears et al. 2006).

It is widely recognized that religious leaders played prominent roles in historical campaigns against slavery and more recent efforts to insure civil rights to the descendants of slaves. In addition, religious leaders are often more sympathetic to the plight of immigrants and others whose rights tend not to be so well-protected as those of full citizens. Internationally, the record of religious advocates of human rights is rather more spotty (Buss and Herman 2003, Lauren 2003, Marthoz and Saunders 2005). In recent years, however, religious leaders have dominated campaigns to strengthen international protections against restrictions on religious freedom, as exemplified in the passage of the International Religious Freedom Act of 1998 by the U.S. Congress and its rapid signing into law by Pres. Clinton (Hertzke 2004). A similar group of activists later inspired campaigns against the still common practice of human trafficking. Overall, though, FBOs in this area have been selective and uneven in their support for human rights (Nichols 2008-09).

One of the enduring characteristics of the U.S. political system is a high concentration of poverty in urban minority communities, and the churches and other religious organizations in African-American and Hispanic communities are often asked to play leadership roles in community development, almost by default (Lincoln and Mamiya 1990, Hula et al. 2007). For many years, the black church has been one of the few places where African-American leaders could emerge and be recognized as such. Although considerably more opportunities now exist, leaders of predominately minority religions continue to play important roles in community development.

There is no exact analogue to this role in the international arena, but a case could be made that religious leaders might well be able to serve a similarly positive role in local development projects in many parts of the poorer countries of the world. Religions of many kinds, but especially Pentecostal Christianity, are growing with great rapidity in many of the poorest communities, especially in urban areas, and these same leaders might come to play a more central role in economic development. Such has hardly been the case in the past, as programs of economic development funded by western agencies have been concentrated in the hands of the leaders of national governments. In recent years, however, even the World Bank has come to recognize the potential contribution that religious leaders might make towards resolving the tough nut of development (Belshaw et al. 2001, Thomas 2004).
With the area of political activism to protect the environment we reach an issue area in which religious-based activism has been, until very recently, virtually non-existent. But with the growing realization of the consequences of global warming and other forms of environmental degradation, there has been a resurgence of interest in the environment by evangelical leaders, some of whom now argue that “creation care” be included as one of the tasks given mankind by its divine creator (see the Evangelical Environmental Network website). It remains to be seen how extensive will be the religious component to this important policy area, and it serves to remind us that these patterns remain fluid, as the relative influence of FBOs wax or wane with changing circumstances.

Even economic policy is not immune from religious influence. One important example is the Jubilee 2000 mobilization campaign, a global effort to convince financial organizations that were holding substantial levels of debt from the governments of many especially poor countries to forgive that debt, in the spirit of a Biblically mandated tradition of debt forgiveness known as the jubilee. Suffice it to say that these Biblical arguments failed to convince experts well-steeped in the doctrines of high finance, but this activism did help exert pressure on these same elites that lead, eventually, to some reduction of the debt burden faced by some less-developed nations, especially the poorest of the poor.

The bottom row of Table 1 acknowledges that there are some areas of public policy for which FBOs are, essentially, irrelevant. Rarely does a minister address the issue of excessive U.S. budget deficits from the pulpit, for example. When we get to issues related to the military, such as homeland security or international peacekeeping operations, about the only contribution made by FBOs is the training of military chaplains. There remain vast vistas of public policy for which FBOs are simply not relevant. Building and maintaining roads, ports, airports, communication lines, and banking systems are important, albeit technical areas of public policy, but it is difficult to imagine any of them eliciting a creative response from anyone on the basis of their religious belief. On the other hand, at the international level, practical improvements in local infrastructures are often critical components of effective development projects, including those implemented by the most professionalized international FBOs. Ultimately, perhaps no area of public policy can be hermetically sealed and protected from intrusion from an FBO, given the right set of circumstances.

**Exploring Paths of FBO Establishment and Development**

Before we can fully evaluate the consequences of FBO participation in diverse policy networks, we first need to understand the processes through which FBOs are established and how they subsequently change over time. In the remainder of this paper I explore some implications of the idea that the patterns of cross-issue policy network differences as illustrated in Table 1 may reflect the operation of a longer-term process of institutional innovation in which political manipulation plays a central, but rarely determinative role. In each issue area, a distinctive pattern of FBO involvement in those policy networks has emerged from historical expression of a generic sequence of events and decisions, which I arrange in four analytically distinguishable steps: religious expression, institutionalization of those forms of expression by religious entrepreneurs, regulation and other forms of manipulation by public officials and other political actors, and a process of selection whereby policy networks become tightly integrated.

1. **Expression** of religious belief in the form of charitable or other activities that have, generally as an unintended consequence, direct or indirect effects on public policy. The activities of concern here are typically inspired by purely religious considerations, or by the natural expression of sensitivities generated through religious training or socialization towards the well-being of others. In effect, these
activities generate externalities, or external effects on both the recipients of these charitable activities and, sometimes, for society as a whole.

2. **Entrepreneurship** is required to transform the irregular expression of religious belief in charitable acts into a more regularized or institutionalized pattern of behavior. Establishment of a formal organization may be originally inspired by an individual desiring to realize more effective implementation of charitable programs, perhaps by devising a regular way in which to attract donations and to organize the programs itself. This form of religious innovation may require establishment of a new organization, or the activities may be incorporated within the purview of established institutions, such as congregations, denominations, or other entities. Entrepreneurs responsible for establishing and operating FBOs may be inspired by a range of potential incentives, and they realize that their donors, volunteers, and other potential supporters may be inspired by a similar array of incentives. FBOs involved in delivery of health care, education, or other public services frequently find that they are unable to obtain, on their own, the level of resources needed to resolve the problems they seek to address. To obtain additional resources, leaders of FBOs may need to cater to the wishes of government officials controlling large pots of money. This sets the stage for potentially mutually beneficial relationships between the agents of religious and political organizations, in which each side may be manipulating the other.

3. **Regulation/Manipulation.** Public officials and/or political entrepreneurs may seek to encourage more of the same activities that FBOs are already engaged in or to shift that organization’s emphasis in other directions more in keeping with their own interests. As will be detailed below, public officials have at their disposal a wide array of policy instruments with which they reward or punish different responses (Salamon 2002).

4. **Selection/Networking.** Throughout this process of reaction to incentives set by public officials, those FBOs implementing certain kinds of programs will be reinforced whereas others will find themselves losing support. Concerns are likely to be expressed by donors when programs change in nature as they expand. They may then transfer their support elsewhere, to either an existing FBO or to help create a new one, or they may become disillusioned and withdraw from overtly political activities. Over time, this process of selection should act to narrow down the extent of variance among those FBOs receiving significant levels of public assistance, compared to those FBOs that remain more independent in their operations. Under some conditions, we should expect to see some FBOs become virtually indistinguishable from their secular counterparts, and some may even lose any residual effect of religion on their mission or activities. On the other hand, new FBOs will continue to be established.

Each of these steps can be taken as a potential pivot in a contingent sequence of network construction. Changes in each step sets the stage for later developments, by making some forms of change more likely and other forms hard to even imagine, let alone implement, by those actors who emerge from the process thus set in motion. Overall, this process of religious expression and entrepreneurial innovation, political manipulation and selection should generate very different patterns of interactions between the overtly faith-based components of a policy network and the rest of that network.

To further understand this process, it is necessary to examine the decision-making situation as seen from the perspective of religious and political leaders. We begin with the perspective from an FBO.
What’s In It for Religious Leaders?

Religious communities naturally engage in activities with direct or indirect political consequences for a few simple reasons. First, most religions include prescriptions for helping the poor and sick, and those with a penchant for proselytism often consider such groups to be an especially attractive source of potential converts. Second, most religions espouse moral standards that can only be incompletely realized in the practical settings, so those inspired by religious visions often play important leadership roles in campaigns for peace, justice, and other forms of fundamental social change. Third, if a religion is to survive, members must socialize their children in the tenets of the faith, which is why education is so often a sensitive issue for religious communities. Finally, religious communities may need to fight to protect their own existence as corporate entities, and this concern may be especially likely to require them to engage more directly with political powers.

Although some of these activities may have effects on society as a whole, typically the most effective motivations are more personal or local in nature. Policy analysts have long realized the crucial importance attached to the “type" of good being investigated (Ostrom and Ostrom 1977, Weimer and Vining 2005). Those goods which can be enjoyed to the utmost by a single owner can be easily bought and sold in market transactions. In contrast to “private goods,” “public goods” are ones which can only be enjoyed by a group of people all at the same time. Since the production of public goods is bedeviled by problems of free riding and other dilemmas of collective action, some institutional mechanism other than a free market is required for their production. For example, governments may impose compulsory taxation to pay for the production of public goods needed for the general welfare.

Other types of goods, known as “club goods” or “toll goods” are similarly enjoyed by some group as a whole, but outsiders can be easily excluded from participation by enacting tools or other entrance requirements. A fourth type of good combines the rivalrous nature of private goods with the difficulty of exclusion characteristic of public goods. Such “common pool resources” are ones which can be overused or depleted if individuals succumb to the temptation to extract excessive levels of that resource for their own use. The possible occurrence of such a “tragedy of the commons” has typically lead policy analysts to recommend either central management or its division into private goods, but it has since become known that a wide array of effective options are available beyond this simplistic dichotomy of centralization or privatization. In particular, the ability of small communities of resource users to organize themselves so as to effectively manage an important resource in a sustainable manner has been amply demonstrated (Ostrom 1990).

There is no single best institutional arrangement for the production of all four of these types of goods. Instead, in normal circumstances, each type of good can be produced most efficiently by distinct forms of social organizations. One of the major concerns of institutional analysis, as used here, is to match the organizational forms by which goods or services are produced and distributed to the characteristics of the relevant goods and services.

When it comes to religion, what is the nature of the goods or services that are produced? That depends on how one looks at it. Individual believers enjoy such private goods as the increased self-esteem that comes from gaining a sense of meaning in one’s own life and of belonging to a larger community, as well as increased access to tangible and intangible resources (Fagan 1996). This social capital can be transformed into tangible benefits, especially for those with less direct access to economic capital. Of course, these benefits come at the cost of time, effort, and tangible resources.
A community of believers can be said to share consumption of such club or toll goods as the satisfaction that derives from participating in emotionally moving rituals. These benefits may be enhanced by requiring all members to pay a high cost in terms of resources or accepting costly limits on their behavior (Iannoccone 1994).

That religion can also have benefits for society as a whole has long been recognized, as exemplified in such classic works as Smith (1776) and Tocqueville (1835). By helping establish a widespread sense of morality among the population, religious institutions may help secure the foundation for a stable and prosperous society, by lowering the transaction costs required in imposing limits on the actions of private actors and public authorities.

Furthermore, building and other tangible resources used by a religious group may be treated as the common property of the members of a faith-based tradition. It turns out that different denominations within the Protestant tradition vary widely in the nature of the property rights structure they impose on their physical property (Zech 1998), and these rules have provided an endless series of legal cases within the U.S. system (Lapu and Tuttle 2002).

The relative valuation attached to these goods may change over time, especially as the size of a religious community changes in relation to that of the broader political community. To a considerable extent, religious communities respond much as other specialized interest groups, in the sense of wanting to protect their own resources and to seek implementation of desired policies. However, very small religious communities may simply want to be left alone so they can worship in whatever way they see fit, even if some of those practices conflict with general societal norms. Any service operations they implement are likely to be directed exclusively to their own members. They may also request to be exempted from the general requirement that all children attend public school.

Religious communities of more moderate size will still insist on religious freedom, but their definition of what counts as religious expression may not include the actions of “cults” deemed dangerous to social order. They may seek public support for private religious schools or insist on fair treatment of all comparably sized faiths in the public schools (perhaps including other faiths regarded as legitimate on other grounds). In the area of public service, they may reach beyond their own communities, especially if their religious tradition values expansion through conversion. Their leaders may encourage them to participate in campaigns to improve societal conditions, including in some instances partisan alignments with political parties.

Finally, if a single religious tradition is dominant among a country’s population, then some of its leaders may be unable to resist the temptation to seek hegemony over such policy areas as education, insisting that their religion’s precepts be taught in public schools. Leaders of hegemonic faiths may seek to limit proselytism and may criminalize the simple act of conversion, in order to protect their position.

Democratic authorities are likely to have at their disposal a more limited set of policy instruments regarding religion policy than would be the case for public officials in an authoritarian regime. A self-described welfare state that has taken on extensive responsibilities in the area of public services may be less inclined to encourage faith-based organizations to implement similar programs. Even so, however, virtually all democratic regimes now engage in substantial programs of devolution and contracting out of public services, to both private and voluntary organizations. The next section investigates the relevant array of policy instruments in more detail.
Policy Instruments

The incentives of political leaders are also likely to change in different settings. Policy involves the strategic use of tools to influence the behavior of private actors, to shape their incentives or disincentives so as to encourage actions that result in desired outcomes and to discourage the generation of negative externalities. There is no consensus typology of policy instruments, perhaps because creative public officials continue to devise new and more complicated instruments. For our purposes, we can collapse all policy instruments into four broad areas: Legal Status, Regulatory, Financial, and Symbolic.

Legal Status. Public officials define the legal status of organizations and determine criteria for citizenship. The U.S. Constitution prohibits any religious test for public office, but in other contexts it is possible to require membership in a particular faith for anyone holding certain public offices. Voting rights may also be restricted by religion, in some settings. Any group seeking to establish a church or build a religious building may need to register with public officials, and may in some cases be denied the right to do so. The pattern of legal stratification of religions discussed earlier is still observed in many countries, where some faiths are automatically allowed to operate publicly or to own property, whereas other religions are prevented from doing so and still others may be granted further rights, such as being able to run religious schools or to implement a separate legal system applicable only to the members of their faith.

Regulatory Instruments. Public officials are held responsible for public order and safety, and in pursuit of those responsibilities they may be authorized to restrict certain forms of behavior that might otherwise be required of the members of particular religious organizations. Exactly this rationale has been used to criminalize plural marriage or the ritual use of certain drugs, even though these practices are encouraged by a few religious traditions. Except for a few curious holdovers from the era of religious wars between sectarian states in European history, or for current manifestations of Islamic regimes, very few government officials ever try to interfere in the resolution of disputes over religious doctrine. When members of a religious community dispute ownership of their shared property, however, the legal system may have to get involved. In other cases, religious organizations may be granted exemption from regulations that apply to all other forms of organization. For example, in the U.S. religious organizations have long had the right to require holders of certain purely religious positions to be members of their religious community. The extent to which these exemptions from non-discrimination hiring laws apply to FBOs using public funding to implement service programs remains in dispute, and is an important aspect of the faith-based initiative controversy (to be detailed below). Finally, those religious traditions allowed to operate their own schools may still be required to cover certain subjects in their curriculum.

Financial instruments. This is the area of most direct concern for the current analysis, because of the frequency with which public officials provide financial support for faith-based organizations specializing in particular areas of public service. This support typically come in the form of grants to or contracts with the FBO itself or vouchers to individual consumers. In addition, governments often exempt religious organizations from paying property tax and sometimes certain forms of sales tax, even though those organizations nonetheless enjoy the public goods financed by tax revenues, including national defense, police and fire protection, water, energy distribution and transportation systems, and legal guarantees of property rights. In the U.S. it has long been a standard practice to allow taxpayers to deduct donations to charitable organizations, including religious ones, from their taxable income, in the expectation that the activities of these organizations will reduce the overall load on services directly
operated by public officials. Finally, religious organizations with close connections to influential public figures may find themselves the recipient of patronage, earmarks or other targeted forms of public support.

**Symbolic Actions.** Since religion has a large impact on the culture of a society, it should not be surprising that symbolic interactions play a similarly impressive role in controversies over church-state relations. Details of legal limits on public displays of religious material remain convoluted and in frequent flux, but the basic pattern is one of accommodation to majority sentiment, provided that connection does not too directly impinge on the sensitivities of members of minority religious groups (Davis 2001, Heclo 2003, Urofsky 2008). The extent of this sensitivity has dramatically changed over time. In the early years of the Republic, public schools routinely used the Protestant version of the Christian Bible as a standard textbook, but overt reliance on a particular religious tradition is much more muted in the present day.

Each tool has a grey area, boundaries between acceptable and unacceptable practices being actively redrawn by processes of political contestation. Overall, what is remarkable is the sheer number of policy tools potentially relevant to religion. We next move to the processes through which these policy tools are used to construct policy networks.

**Building Policy Networks**

To illustrate the pervasive effects of subtle forms of selection, I discuss examples that show how, at each step in the generic process outlined above, some types of decisions are more likely to occur than others. Over time, then, the patterns that actually eventuate are generated by the acting out of these differing tendencies.

**Expression.** In most religious traditions, charitable behavior is easily evoked by observations of the pain and suffering experienced by others. Thus, those charitable activities that are most likely to be even potentially relevant to public policy are disproportionately likely to be directed towards the perceived needs of marginalized groups. This tendency is reinforced by the widespread presumption that the poor and dispirited are most likely to be receptive to potential conversion to a new religion. That presumption may be in error, given research in the sociology of religion that highlights the importance of personal contacts and social network ties in any meaningful process of conversion, but even if mistaken this presumption may well be guiding behavior to a considerable extent.

**Entrepreneurship.** Establishment of a formal FBO is made more or less likely by the operation of a few especially salient factors. First, formalization is especially likely if that activity is deemed to be of critical importance for the continued survival of that religious community as a whole. Schools for training religious leaders and especially for socializing children into the faith of their parents fall clearly into this category. A religious component to primary education is especially likely to emerge if that religious community feels itself to be a threatened minority, but not so threatened as to not have access to sufficient resources to establish their own school system.

A second path towards formalization of another kind emerges when charitable impulses are reinforced by the primary components of religious belief. In some cases a positive feedback loop may be experienced in which the doctrine itself becomes imbued with the importance of public service as a way of life for the members of that community, thereby making charitable acts of certain kinds to be, in effect, another form of worship, a ritual highly regarded as meritorious. Perhaps the clearest examples
of the long-standing consequences of such virtuous cycles include the Salvation Army as a denomination that looks very much like a professional FBO and yet remains fundamentally religious in nature. The leadership role taken by Quakers and Mennonites in the pursuit of peace is another example. Such positive feedback loops can result in instances that may prove hard to categorize as either a purely religious organization or a service-centered FBO, and yet this very confusion is a manifestation of the power of these processes.

A third and more common path is triggered when some entrepreneur seizes an opportunity to improve the effectiveness through which charitable or other forms of faith-inspired activities are implemented. At this point a subtle form of political influence enters into the picture. Virtually all of the FBOs established, except for those rare exceptions that undergo the positive feedback loop described above, will fit organizational forms that are deemed both socially legitimate and legally recognized. This is one of the places where the strategic manipulation becomes a little difficult to nail down, because these social expectations are set by decisions made in the past by political and legal authorities and reinforced by social legitimacy.

**Regulation/Manipulation.** This step highlights explicit efforts by public authorities to induce particular changes in the behavior of already existing FBOs. Here the policy tools available include grants and contracts and the granting of exemptions from rules that would otherwise have been seen as costly. For example, advocates of increased FBO participation in the delivery of public policy regularly highlight the importance of allowing FBOs to select their workers in a way that would otherwise be seen as constituting discrimination. Without such safeguards, religious entrepreneurs are likely to forgo any opportunity to seek government funding to expand their existing programs. Such exemptions are, needless to say, controversial. Other exemptions, from local property taxes or zoning laws, also generate controversies in particular circumstances, even though they may be widely accepted as legitimate in principle.

We have already discussed the ways in which some FBO leaders may choose to decline an opportunity to expand their programs, if the resources needed for expansion would add additional costs in terms of becoming vulnerable to unpalatable regulations. Typically, though, any FBO that has experienced some initial or small-scale success is going to include at least some participants who would like to experience more of the same. After all, some leaders are likely to be motivated as much by considerations of practicality as they are by religious principle. For some, indeed, the question of practicality may outweigh any perceived costs in terms of deviation from a strict interpretation of doctrine, especially if the individual concerned does not share that doctrinal interpretation in the first place. As noted above, any religious tradition is sufficiently variegated to allow for significant differences of opinion, on both doctrinal and practical questions.

**Selection/Networking.** Finally we arrive at the end of the process, or rather at the stage of an interactive process that acts to fine-tune the organizations and policy programs generated in the previous steps. Out of this process of selection should emerge a relatively persistent pattern of interactions, a policy network, that in turn generates a relatively consistent process of policy stasis or, at most, incremental change. This process generates pressures towards organizational isomorphism and professionalization of those FBOs that stay engaged with the rest of the network.

Faith may inspire individual members to engage in charitable activities, which are considered to bring their own rewards, but in order to effectively realize these gains faith-based organizations, once
established, tend to behave very much like any other kind of service delivery unit. Although in some models politicians may be modeled as if their only goal was to seek re-election (Downs 1957) or bureaucrats as if they are only concerned to increase the budget available to their bureau and/or the autonomy with which they can spend that budget (Niskanen 1971), in both cases more public-spirited motives must be incorporated in order to capture the full logic of choice in play (March and Olsen 1989). In much the same way, it may be inappropriate to model religious leaders as if their only concern is to increase the number of their adherents (Stark and Finke 2000), the magnitude of the rents they can extract from monopolization of the religious market (Ekelund et al. 1996), or the intensity of the religious experience shared by participants (Iannoccone 1994). All of these models help us understand important portions of the problem, but not the whole story. Any formal organization established to pursue these goals will be subjected to selection pressures from the existing policy network, thereby clouding any clear connection between initial goals and eventual outcomes.

In some cases the policy challenges may prove too large for the FBOs to handle, even when they receive increased assistance from the state. In welfare policy, for example, it is no accident that since the New Deal era the national government has taken on an unmistakably central role in setting the rules for, and distributing the resources spent on, welfare policy (Gruber and Hungerman 2007). The health care area is one in which the monies involved are so substantial that religious and other non-profit hospitals have come to face competition from for-profit hospital corporations. This is also the policy area in which the potentially overwhelming power of organizational isomorphism has been most fully realized.

On the other hand, FBOs may retain more room for maneuver in those issue areas in which much less money is at stake, and the political stakes are too small to entice direct intervention by political authorities. Consider refugee assistance. Millions of refugees who need assistance every year, but few if any of them are going to vote a Western government in or out of office, and the amount of money that can be made distributing supplies to refugees is miniscule. Even when governments of the world’s major powers became more sensitive to public reactions to shocking images of starvation or genocidal attacks in far-flung lands, they continue to channel a high proportion of this emergency aid through the existing network of humanitarian aid organizations, several of the largest of which remain tied to specific religious denominations or movements. Ironically, increased attention by the world’s national governments have induced some private companies to enter this policy area, offering for hire their logistical capacity to move resources quickly, when government officials feel an urgent need to solve a problem before it gets out of hand. But this is only a minor elaboration of the same basic theme, as the overall structure of the international humanitarian aid regime (or global policy network, in the terminology used here) remains intact.

Finally, the balance between faith-based and secular components of a policy network may be upset by dramatic events, as was illustrated above in the discussion of the New Deal. Typically, patterns once established tend to continue in place.

**Faith-Based Initiative**

This section investigates a recent example of religion policy in action, namely, the faith-based initiative. Although most closely associated with President George W. Bush, its origins date back to the Clinton era and it has continued virtually unchanged during the initial years of the Obama presidency.
The basic contours of debates on the faith-based initiative can be summarized quickly. The faith-based initiative dates back to debates in the 1990s, especially over concerns that public welfare policies had the unfortunate effect of creating a culture of dependency which discouraged welfare recipients from actively seeking employment. Many argued that effective reform would require ramping up programs that helped instill a sense of personal responsibility among beneficiaries of those programs. The 1996 PROWA law included an amendment on charitable choice which encouraged more applications for public funding from religious-based organizations. The faith-based initiative was essentially an effort to accomplish this goal.

For some advocates it was a question of cost, since FBOs’ heavy reliance on volunteer labor made their programs potentially cheaper to operate than programs dependent on hiring service professionals. Others argued that in minority communities, especially among immigrants or urban African-Americans, religious leaders had a special connection to segments of the population with sound reasons for keeping their distance from public authorities. Thus, some faith-based organizations might be uniquely positioned to connect to especially needy groups.

However, for most advocates the critical factor was their presumption that religious programs are more effective in helping realize the personal transformation seen as the critical step in helping individuals wean themselves away from welfare dependency. Several potential reasons were proffered, with minimal supporting evidence, for this increased effectiveness. First, volunteers inspired by religious faith might tend to be more caring and less bureaucratic in the ways they related to the recipients of relief programs. Second, faith-based programs may tend to be more holistic, in the sense that workers inspired by certain kinds of religious beliefs will encourage participants to seek a through-going transformation of their personality, rather than seeing their problem in the purely instrumental terms common in programs designed by secular professionals. Allowing the service organization to retain symbols of religious faith in the physical setting or requiring participation in communal prayer or other religious rituals may make faith-based programs uniquely effective in achieving personal transformation.

For critics, however, incorporation of explicitly religious components into service programs threatened inappropriate entanglement of church and state (Lupu and Tuttle 2008). Over many decades, courts insisted that whereas programs with a primary secular purpose could be supported by public funding, such funds should not be available for the use of “pervasively sectarian institutions” such as congregations of particular faith traditions. Others saw this very distinction as part of the problem, in that public officials, when deciding which programs to fund, would shy away from any program with any hint of religious content. As a consequence of this supposed discrimination, the organizers of many faith-based organizations might not even bother applying for funding.

President Bush’s faith-based initiative was intended as a multi-pronged attack on this situation. Since he was unable to convince Congress to pass significant legislation in this area, he operated instead via executive order, establishing offices of “Faith-Based and Community Initiatives” in the White House and in several executive agencies. Many states and local governments followed suit (Sager 2010). These agencies were tasked with several missions, especially (1) eliminating bias against applications by service organizations with strong religious connections, (2) providing assistance in helping smaller FBOs develop the capacity to apply for public funding and to cope with the paperwork required in their implementation, and (3) clarifying that FBOs should be exempted from laws prohibiting labor discrimination in their hiring practices. This last stipulation has proven especially controversial. Advocates see it as essential, because otherwise FBOs might be required to hire workers whose beliefs...
or behaviors were incompatible with the tenets of the religious community that inspired that program, and their participation might undermine the unique capabilities of such programs. They also see it as a natural extension of existing exemptions given religious organizations for filling positions that are exclusively religious in nature (such as priests or preachers). For opponents it was discrimination, pure and simple, and thus not acceptable.

All this remained controversial under the Bush Administration, and yet the Obama team maintained the program in pretty much the same format, albeit under the new title “Faith-Based and Neighborhood Partnerships.” Complaints about discrimination in hiring are to be evaluated on a case-by-case basis, a position that was not consistent with promises made during the campaign.

It remains to be seen if exemptions from anti-discrimination laws will survive legal challenges now working their way through the system, but the overall record of this initiative is meager at best. Monsma (2004) provides an especially careful and damning comparative analysis of programs in a few selected communities. Among his conclusions are the findings that there remains little empirical evidence of significant differences between secular and religious programs, there have been no clearly documented cases of anti-religious bias in funding decisions, and that those FBOs which were capable of benefiting from increased public funding were already well-integrated into this policy network. He highlights the irony that effective faith-based programs may be able to expand only with increased public funding, but that such funding directly threatens to undermine the autonomy which was critical to their initial success.

The proportion of public funding awarded to FBOs may have increased slightly, but the overall level decreased even more substantially (GAO 2006). This has led critics to see it all as a smokescreen for offloading responsibilities for public services to the private or voluntary sectors, or even as a misguided effort to attract African-American voters to the Republican party or to reward conservative evangelical Christians for their support (Kuo 2006). If designed as an effort to curry favor with African-American community leaders more inclined to consider religion as a key component of community development, and thus draw some of the African-American vote away from Democratic candidates, this program must be evaluated a dismal failure. Even some evangelical groups have expressed concerns that extremist groups from non-Christian religious received public funding under this program.

There are some indications that some religious components do help certain types of clients or participants (i.e., those who undergo some kind of personal transformation as they participate in that program) to achieve more effective results than other programs, but there is no systematic evidence that these components would have the same effect for other clients, especially those actively resistant to that particular belief system. Nor is there evidence concerning the long-term sustainability of the few positive results that have been demonstrated.

This leaves us with the tentative conclusion that faith-based programs might best be seen as one alternative in a broader system of service delivery, with different programs tailored to fit different client types.

Normative Evaluations

By now I trust the reader has been convinced that the extent to which FBOs play important policy roles differs dramatically across issue areas or issue domains. What may not yet be apparent is why we should
care about these differences. Policy analysts have demonstrated that different consequences for society as a whole should be expected to be observed, depending on what kinds of actors are in charge of making and implementing policy in that area (Hill and Hupe 2009, Klijn and Skelcher 2007, Klijn and Koppenjan 2000). Granted, the role of religion per se has rarely been a matter of great concern among policy researchers, who tend to be much more concerned about what happens to the public interest when policy networks are dominated by a self-contained power elite, or by greedy business interests seeking to protect their ill-gotten gains, or by recipients of political patronage who need to keep their bosses happen, or by technocratic experts who presume to know what is best for the public, without ever bothering to ask the people themselves.

Increased reliance on FBOs for the delivery of public services runs the risk of making that policy more responsive to the interests and preferences of those leaders most influential within their respective traditions. Allowing FBOs to play essential roles in the formation and implementation of public policy could potentially serve to reinforce the hegemonic influence of that particular faith on society as a whole. On the other hand, there are other easily mobilized groups within the American pluralist system that can effectively counter any effort to overtly impose Christianity, of whatever form, as the official religion. In other countries, such controls are not nearly so secure.

However, virtually all religious traditions encompass values that may be interpreted as supporting a wide range of contrasting positions of political controversies. Appleby (2000) argues that the political implications of any religious tradition are fundamentally ambiguous, because any religious tradition can be used either to pursue peace or to justify the use of extreme violence in pursuit of religion-inspired goals. With particular reference to sub-Saharan Africa, Longman (1998) demonstrates that religion can be used either to protect the powerful or to empower the weak, or even both at the same time.

Because of this inherent variability, it would be much more difficult for a contingent of FBO components to “capture” an vibrant policy network in quite the same way that might happen in some area of economic regulatory policy, where those ostensibly being regulated are often the ones who actually write those regulations, and do so in such a way as to protect themselves from the entry of new competitors.

Existing members of the policy network may benefit from increased FBO participation. Religious leaders may be able to tap into resources that are not available to secular organizations, even ones that are implementing virtually the same programs. Religious leaders may be effective liaisons between public officials and members of suspicious or marginalized communities, drawing upon a reservoir of trust to help policy entrepreneurs gain access to the very people they most want to help.

Faith-based components may prove especially useful when members of a policy network confront intractable problems. Religious faith can be a source of strength in times of trial, and may thus facilitate the persistence needed to face certain long-term dilemmas. Such persistence seems especially relevant to such matters as the slow rehabilitation of hardened criminals or the excruciatingly long process of reconciliation that may be required to convince former enemies that they can now live peacefully with each other (Smock 2002; Schirch 2005, Tutu 1999).

More generally, incorporation of FBOs within a policy network will insure that there will always be someone dissatisfied with the status quo, since no policies can suffice to satisfy someone inspired by religious visions of perfect justice. Since there will always be pressure for reform, it may be less likely
that a policy network can become mired in an unproductive state of stasis as conditions continue to worsen. The position of moral leadership enjoyed by religious leaders may facilitate mobilization for costly programs of reform by drawing upon the deep emotions associated with religious belief (Nadelmann 1990).

Including individuals with a strong reputation for high moral stature may help outside observers see the network as being more than just a manifestation of partisan politics or patronage. At the same time, this sense of increased legitimacy may help insure a degree of insulation from the close scrutiny of media and oversight agencies. One of the basic tenets of the policy network perspective is that many networks work best (at least in terms of more effectively realizing their own interests) if they are allowed to make their decisions and implement their preferred policies with minimal interference from the potentially pesky and fickle public.

Yet reliance on moral leadership of religious members of a policy network can backfire whenever an instance of fraud, waste or abuse involving those leaders is revealed and publicized. An incessant drumbeat for more reform can prove distracting, especially to those elements of the policy network perfectly content to sustain the status quo, with all of its attendant imperfections, into the indefinite future. Even those driven to achieve practical results may become weary of fellow network partners who continually express unrealistic expectations.

From the perspective of society as a whole, other considerations come into play. The first concern is that inefficient programs may continue to be funded, especially those FBO programs that can expect to receive funding from religious sources, whether or not they can demonstrate any practical success. A second concern is related, in that because of such reliance on religious donations, policy in this area may manifest misplaced priorities, since those public problems of more direct concern to religious donors are more likely to receive direct attention than other, perhaps equally important problems. This problem arises because, in effect, the agenda guiding policy response will be more response to donor interests than to the recommendations of policy analysts. Third, incorporation of faith-based components into service programs necessarily imparts a sense of mystification into the whole process, to the extent that favorable policy responses are going to be attributed, at least in part, to factors which are by definition outside of any scientific scrutiny.

A fourth problem is more practical and directly observable. Given the natural diversity of religious traditions in any modern society, it will prove impossible to incorporate, on anything remotely resembling an equal basis, programs initiated by all religious traditions into policy networks. Instead, certain religious traditions are going to have their practices legitimated by their participation in policy implementation, while others will be excluded. Efforts can, of course, be undertaken to try to minimize any resulting tensions, but advocates of increased FBO participation must face up to the inevitability of introducing inequities in the ways different religious traditions will be treated.

A fifth problem resides at the macro-level. Patterns of close interaction between agents of religious and political organizations in any one policy area may tend to diffuse over into adjacent policy areas. This type of diffusion would be expected to be especially important by those analysts who conceptualize the state as a broad configuration of interests and ideological understandings within which social interactions take place, with those interactions experiencing, whether directly observable or not, pressures to conform to the basic structure of interactions as legitimated in the overall state structure (Hall and Taylor 1996, Amenta et al. 2001). In short, increased FBO participation in any policy area may
subtly enhance the influence over society of those religious traditions most directly involved in these particular policy programs.

On the positive side, FBOs are especially attracted to policy areas in which they can help to alleviate the pain and suffering felt by the most marginalized segments of any society. Rather than being just like other self-interested participants in a pluralistic system, many FBOs are motivated to look out for the interests of groups that would otherwise be ignored. By doing so, they fill a gap in the coverage of any policy network. In that sense, FBO participation may prove critical to assuring more equitable policy outcomes.

Finally, this meso-level perspective suggests that the standard characterization of a “wall of separation” between church and state needs, once again, to be re-examined. In some policy areas there are indeed strong barriers to interaction between religious and political organizations, especially those policy areas in which the uniquely faith-based concern for marginalized groups is simply not relevant. But in other policy areas the wall may be replaced by a fence, across which neighbors can freely communicate, or a gate, which allows both sides easy access to the other. In still other areas that gate opens onto a well-worn path upon which tread residents from both sides as they gather together to address their shared concerns. In those few policy areas of particular concern to religious adherents, the image of a path is too feeble to reflect the tight interconnections between religious and political organizations. Perhaps in those areas the wall can be said to have been torn down to construct an expressway facilitating the routine transport of resources from one side to the other.

Even as faith-based organizations become more closely integrated into policy networks, their members will, to a great extent, still remain a world apart. Perhaps the most critical contribution of religion to governance is as a source of countervailing moral authority. In an influential critique of the widespread tendency among political analysts to misunderstand religion as a purely individual matter when religions are instead fundamentally communal in nature, Stephen Carter (1993) articulates the political implications of religion in a succinct and powerful manner.

Religions are in effect independent centers of power, with bona fide claims on the allegiance of their members, claims that exist alongside, are not identical to, and will sometimes trump the claims to obedience that the state makes. A religion speaks to its members in a voice different from that of the state, and when the voice moves the faithful to action, a religion may act as a counterweight to the authority of the state. ... A religion, in this picture, is not simply a means for understanding one's self, or even of contemplating the nature of the universe, or existence, or of anything else. A religion is, at its heart, a way of denying the authority of the rest of the world; it is a way of saying to fellow human beings and to the state those fellow humans have erected, "No, I will not accede to your will." (Carter 1993, 35, 41, italics in original)

Precisely because of its deep roots outside the standard realm of politics, religion can serve as a uniquely efficacious constraint on the excessive partisanship so characteristic of struggles for political power. Although typically ignored or criticized by policy analysts, the import of faith-based organizations becomes evident once one looks at governance from a broader perspective. No matter what our personal religious convictions might be, we, as policy analysts, have a professional responsibility to recognize and appreciate the unique contributions made by all types of governance institutions.
Notes

1 For surveys of the Ostrom Workshop, see Aligica and Boettke 2009, Jagger et al. 2009, McGinnis 1999a,b, 2000, and Ostrom 2007.


3 The 1998 International Religious Freedom Act, which requires the U.S. Department of State to issue yearly reports on religious persecution in all countries of the world (except, naturally, the U.S. itself) has provided the basis for systematic data collection efforts. See Fox (2006, 2008), Grim (2005) and Grim and Finke (2006) for important recent innovations in data on government restrictions of religious freedom and on relationships between governments and dominant religions.


5 For important efforts to systematically categorize policy tools, see Salamon (2002) and Weimer and Vining (2005).

6 See Congressional Research Service (2005) and Wright (2009) for very useful overviews of the arguments for and against the faith-based initiative as well as balanced analyses of its consequences.
References


http://www.state.gov/g/drl/rls/irf/.


### Table 1. Extent of Faith-Based Contributions in Selected Issue Areas

<table>
<thead>
<tr>
<th>Assessment of FBO Component</th>
<th>Domestic Policy Networks in the U.S.</th>
<th>International or Global Policy Networks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Integrated into Policy Networks</strong></td>
<td>Health Care Social policy (welfare)</td>
<td>Humanitarian Aid Health Care</td>
</tr>
<tr>
<td><strong>Important but Mostly Separate Systems</strong></td>
<td>Education Media, Culture</td>
<td>Missionary/Proselytism Transnational Communities</td>
</tr>
<tr>
<td><strong>Specialized or Selective Roles</strong></td>
<td>Civil Rights, Immigrants, Anti-poverty Rehabilitation (and job training) Community Development Environmental Issues (‘creation care’)</td>
<td>Development Assistance Social Reconciliation (esp. local) Mediation and diplomacy Human Rights (religious rights, anti-trafficking ) Debt (Jubilee 2000) Economic Development</td>
</tr>
<tr>
<td><strong>Minimal to Non-Existing FBSO Contribution</strong></td>
<td>Budgetary Issues Military, Homeland Security Infrastructure</td>
<td>Peacekeeping Operations Global Commons</td>
</tr>
</tbody>
</table>

### Table 2. How Policy Priorities of Religious Communities Change with Relative Size

<table>
<thead>
<tr>
<th>Size of Religious Community: Policy Area</th>
<th>Very Small</th>
<th>Moderate</th>
<th>Predominant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Worship and Proselytism</strong></td>
<td>Unlimited religious freedom and innovation</td>
<td>Freedom of expression for recognized faiths; Regulate cults or minority faiths</td>
<td>Incorporate religious symbols in civil ceremonies; Limit proselytism</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td>Self-protection, exemption from public education</td>
<td>Support private religious schools to protect moral values</td>
<td>Impose religious values and beliefs in public curriculum</td>
</tr>
<tr>
<td><strong>Social Services</strong></td>
<td>Self-help; Services focused on fellow believers</td>
<td>Outreach to rest of community; Potential basis of separatism</td>
<td>Potential rival to state’s ability to reward supporters</td>
</tr>
<tr>
<td><strong>Advocacy</strong></td>
<td>Withdrawal from society</td>
<td>Moral campaigns; Opportunistic coalitions</td>
<td>May undermine state authority</td>
</tr>
<tr>
<td><strong>Institutional Interests</strong></td>
<td>Protect privacy and right to violate social norms</td>
<td>Limit government intervention in all religious matters</td>
<td>Protect accumulated property; Establish theocracy</td>
</tr>
</tbody>
</table>