« The Smithian Market of Religions and its Legacy: Another Great Schism between Economics and Sociology? »

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The Smithian Market of Religions and its Legacy: Another Great Schism between Economics and Sociology?

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Abstract: Adam Smith (1776) is the first to introduce religions into a market. Our article studies Smith’s neglected contribution to secularization theories and sociological market of religions then distinguishes it from his contribution to the economic market of religions. The objective of this article is to show that sociology and economics of religion both rely on Smith. Our issue analyzes if the markets of religions in the two disciplines evolve contradictory or complementary. Our results show an interdisciplinary dissemination of Smith’s ideas between sociology and economics of religion, a (unknown/neglected) Smithian background for sociology of religion and a demand-side market of religions in sociology. We demonstrate that there is no opposition between the two disciplines, but a methodological difference between demand and supply mechanisms. Our historical work remarks a methodological schism in the markets of religion with the introduction of Becker’s rational choice into sociology. We trace a historical tree to distinguish the demand mechanism (Marx, Durkheim, Weber and traditional sociological market) from the supply mechanism (Tocqueville, Blau and Homans, Becker, and rational choice theory in sociology and economics of religion) in the evolution of Smith’s market.

Keywords: Adam Smith, Market of Religions, Rational Choice Theory, Secularization Theories, Economics and Sociology of Religion

JEL classification: Z12, B12, A12, P16, B41

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**Introduction**

In the most neglected pages of *The Wealth of Nations* (*WN*, [1776] 1937, 740-766), Adam Smith introduces religions into a competitive market for the first time in economics. After Smith, sociology then economics raise close questions about religion and develop along similar and diverging markets alternatively. This article studies the sociology and economics of religion’s common background. It analyses the evolution of the markets of religions in the two disciplines to show their reliance, explicitly or implicitly, on pioneering Smith’s market.

Our issue is to analyse if the markets of religions after Smith evolve contradictory or complementary in sociology and economics of religion. Interestingly, in addition to their Smithian bases, we remark that the “religious bridge” between Smith and current economics of religion rises via sociologists. Hence, current economists deal with State regulations of religion in *continuum* with sociologists’ issues, the development of Smith’s market is not economists’ objective. In our perusal of the two disciplines, though sociology and economics of religion are clearly intermingled and built on each other. For instance, current economists of religion ask the same sociologists’ questions of the 19th and sociology of religion heavily relies on economic concepts, as market, demand/supply, rationality, preference, and competition.

Even if sociologists of religion put Marx, Durkheim and Weber’s analyses of religious decline - that lead to secularization theories (20th)- in the succession of August Comte (Willame, 1995 and Davie, 2007), in this paper, we put sociology and economics of religion in the succession of Smith. Before Comte, Smith is the ancestor of the sociology of religion. Thus, following Smith, we seek carefully his unknown contribution to secularization theories and sociological market of religions then distinguish it from his contribution to the current “religious market” in economics.

Our results show an interdisciplinary dissemination of Smith’s ideas between sociology and economics of religion, a (neglected/unknown) Smithian background for sociology of religion and a demand-side market of religions in sociology. We can find an interdisciplinary dissemination of Smith’s market in contrasted, and sometimes divergent, evolutions between sociology and economics of religion, but without a current Smithian theory/market of religion. Smith’s separation between State and religion and competition/pluralism are commons in the two disciplines. Smith’s market analyses (demand and supply) exist partially in the both disciplines.
To achieve our objective, we return to Smith’s market of religions, analyse its two dimensions and follow further sociological and economic analyses of religion. On the one hand, a sociological demand dimension (neglected by further economists) evokes the development, science and education influence on religion’s temporal power: the decrease of religious demand. We show that this dimension evolves implicitly with Marx, Durkheim and Weber to integrate secularization theories, especially Berger’s sociological market (1963, 1966, 1967 and 1979). On the other hand, a micro-supply dimension explains clergy’s motivation. We explain that this dimension develops itself implicitly in sociological “religious economy” (Stark, 1985; Stark and Bainbridge, 1985 and 1987; Finke and Stark, 1986; Finke and Stark, 1988; Finke, 1990 and 1996; Finke, Stark and Guest 1996) then explicitly in economic “religious market” (Iannaccone, 1991, 1992, 1994, 1995 and 1998; Franck and Iannaccone, 2014 and Iyer, 2016).

Methodologically, we show that the schism between demand and supply mechanisms appears with the introduction of Becker’s rational choice into Smith’s market. We explain that there is no opposition between economics and sociology of religion, but a methodological difference between demand and supply mechanisms, either in sociology or in economics. Economists and sociologists answer differently to the question of whether supply creates demand or demand creates supply after the market deregulation and religious competition. The rational choice sociologists (Finke, Stark and Bainbridge, aforementioned 1980-90s) support microeconomic market and macro-econometricians (McCleary and Barro, 2006) sustain sociological market.

The article concentrates on Smith’s market of religions in the \( \mathbb{W} \); we will not evoke all Smith’s analyses about religion. In the first part, we return to Smith’s market to show its micro-supply and neglected demand dimensions. In a second part, we demonstrate, by our economic analysis, Smith’s legacy in Marx, Durkheim and Weber’s sociologies especially the decrease in religious demand, which leads to the sociological market. We show that this market has Smithian hypothesis with Marxian, Durkheimian and Weberian mechanisms; we qualify it as a demand-side market: when religious demand declines, religious suppliers have crises. In a third part, we contrast, in the same Smith’s market, the analyses of the increase of religious supply by bringing behavioural sociology (Blau and Homans, 1964) and rational choice theory (Becker, 1976) together in the sociological “religious economy” and economic “religious market”. They represent two supply-side (Beckerian) markets. In a fourth part, we present the first tree of Smith’s ideas dissemination between sociological and economic markets.
Section 1: Smith’s Wealth of Nations, at the very foundation of future divergences

Smith (WN, 740-766) initiated the market of religions built on the separation of politics and religion and religious pluralism. This market has a twofold dimension: (neglected) macro-demand and micro-supply. In Smith’s WN, the influence of economic development and education on religion’s temporal power, developed later on by sociological secularization theories, appears with the clergy motivation by self-interest, developed later on by sociological “religious economy” then by microeconomic “religious market”. So to construct the history of the markets of religions, we will focus on their basis in the WN.

I. Politics and religions in a market

Smith considers that the State (or sovereign) and politics’ non-intervention in the religious sphere leads to a competition between “sects”, which creates the market of religions. However, he explains a market situation with religious demand and supply analyses without using the word “market”.

The separation between politics and religion manifests a religious competition. If politics did not ask for religion’s help and did not adopt a religious dogma, “it would probably have dealt equally and impartially with all the different sects, and have allowed every man to chuse (choose) his own priest and his own religion” (WN, 744). This situation creates “multitude of religious sects” (ibid), with which every member of the various clergies concentrates his efforts to preserve/increase his disciples.

The sectarian multitude realizes atomicity as in pure and perfect competition, wish mean that the influence and the weight of every “sect” and the active zeal of the clergy diminish. With multitude, “the excessive zeal (…) could not well be productive of any very hurtful effects” (WN, 746); the “sects” continue to “subdivide themselves (…) to become sufficiently numerous” (ibid).

“The (…) zeal of religious teachers can be dangerous and troublesome only where there is, either but one sect (…) or (…) two or three great sects (…) that zeal must be altogether innocent where the society is divided into two or three hundred (…). The teachers (…) surrounded on all sides with more adversaries (…) learn (…) candor and moderation (…)” (WN, 745)

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1 By writing “sect”, “church” or “religion” in this section, we preserve Smith terms.
To realize this economic market, the separation between State and religion is the legal instrument. Smith considers that the clergy should not “have any particular or immediate dependency upon the (…) executive power”, with a law that favours the teachers “of no religion more than those of another” (WN, 748). However, if a religion is established, uncertainty arises in the executive towards it, save the executive can influence its teachers (WN, 749).

The suppression of ecclesiastical government avoids the conflict of interest between the temporal and religious powers. An established church follows its interests to preserve its authority over the people. The clerical interests differ from those of political authority and they may sometimes oppose each other. If the political authority departs from the church’s dogma (or protects the retirees), the clergy encourages the people to sustain an “orthodox and obedient prince” (ibid).²

On the results side of the market, the competition imposes mutual respect among clergies. Dynamically, the dogmas liberate them-self from “absurdity, imposture, or fanaticism” (ibid) so moderation dominates. The output is a “pure and rational religion” (ibid), which Smith rectifies it later on; it is unfulfilled according to the “positive law” (ibid) (implicit reference to Hume's “is–ought”).

II. Supply and demand in the market of Smith

The market of religions have two combined approaches in the WN. Firstly, the clergy’s motivation is linked to its revenue. Based on our lecture, it is the microeconomic supply approach. Secondly, the socioeconomic development influences on religion’s power. We analyse it as the demand approach.

1. Smith’s supply microanalysis: self-interest motivation

Smith starts by discussing the supply side of the market; he adopts a microeconomic analysis (individual motivation). He examines the source of religious teachers’ revenues, the motivation of the clergy and the impacts of public and/or high income on the supply.

² Practically, Smith regrets the “no ecclesiastical government” in England proposed by the “Independents” and admires the Quakers’ law in Pennsylvania (WN, 745). Smith (1776) writes before the American First Amendment (no establishment clause -1791).
Firstly, the inferior clergy is motivated by "the powerful motive of self-interest" (WN, 741-2). The rewards of the clergies depend on their activity or reputation; the fees or honoraria of the teachers depend on their treatment and pupils (ibid).³

Secondly, Smith considers that clergy should not have high revenue to stay close to faithful. The wage must be proportional to the nature of the service: an overpayment creates “negligence and idleness” (WN, 766). If clergies enjoy leisure time they lose time devoted to socio-religious services and holiness character in the eyes of people (ibid).

Thirdly, the religious teachers (instructors) depend in their revenues upon two sources; the faithful’s contributions or other funds such as landed properties, tithe or territorial taxes, stipends and established salaries, which change upon to each country’s legislations. The efforts and activities of religious teachers are stronger when the first source dominates. If the second source dominates, the teachers will have some peace of mind in financial terms and will neglect preserving the faith and the devotion among their people. They become indolent, idle, and incapable of defending themselves; they lose the qualities that formerly assured them success, authority and establishment (WN, 741). Therefore, the teachers of the "new religions" have advantage over those of the established religions, which will resort to the civil authority’s help, as the Catholics vis-a-vis the Protestants or the Anglicans vis-a-vis the dissidents (ibid).

2. Smith’s demand macroanalysis: development facing clergy’s power

After the self-motivation, Smith analyses development and education as two determinants of the religious demand; they diminish clergy’s power. We realize that, in this demand side of his market, Smith adopts a social class and macroeconomic analysis.

According to Smith, the artistic, industrial and commercial advances “destroyed (...) the whole temporal power of the clergy” (WN, 755) in most of Europe. The outputs of these advances offer to the clergy the possibilities of spending its income for personal enjoyment; its charity diminishes and its rent increases. Afterwards, the links between clergy and lower classes relax (ibid); the lower classes cannot see the rich clergy’s members as “comforters of their distress” or “ relievers of their indigence” (ibid); the clergy and church’s temporal power shrinks.

³ Despite Smith's (implicit) functional distinction between teacher (instructor of doctrine), clergy (parish) and mendicant order (monk and religious order), the self-interest motivates all three.
Besides development, Smith evokes education as a second determinant of religious demand; he considers that the State has two “remedies” (WN, 748) to correct the “mores” of the multiple religious groups (after sectarian division). The first way is the scientific and philosophical studies that the State should render universally for the middling classes through the institutionalization of an exam for anyone desirous to practice a liberal profession or to apply for an honourable or lucrative post. This necessity of learning provides a guarantee for the upper classes and prohibits the arrival of superstition towards the lower classes. The second way is to increase public entertainment by giving “whole liberty” (ibid) to those who want to amuse population with culture and arts. This liberty increases religion substitutes and diminishes its demand.

Therefore, in this first section we show Smith’s initiation of a market of religions (supply and demand), which is a religious competition between many sects after the separation of State and religion. The microeconomic supply side shows that the clergies should live as their faithful and from their contributions; which motivates every clergy to make effort toward faithful and beside other clergies. The macroeconomic demand side remarks the decline of the temporal religion’s power on lower classes with development, education and science. On the results side, competition multiplies “sects”; the moderation dominates and the market tends to a (normative) “pure and rational religion”.

After Smith, aforementioned double dimension develops separately along similar and diverging lines alternatively with a debate about the (positive) results of religious competition. The demand-side market develops, as we will show by our economic reading, secularization theories and sociological market. Marx, Durkheim, Weber, and secularization theorists evoke the decreasing importance of religion with development. The supply-side market develops two theories: the sociological “religious economy” and the microeconomic “religious market”. Sociologists and economists of rational choice evoke the increasing importance of religious motivation with competition. The separate evolutions of these Smithian approaches lead to future divergence between secularization (sociology / macroeconomics) and “religious market” (sociology / microeconomics) theories.
Section 2: The secularization in the demand-side of the market: a Smithian legacy

Smith, the father of modern economics, evokes the competition between sects in a market and the decline of religion’s power with education, science and economic development. The fathers of modern sociology as Comte, Marx, Tocqueville, Durkheim, Weber, and Simmel, continues Smith’s issues, especially the determinants of the demand. They evoke religious competition and development/education influence on religion’s power. Paradoxically, they do not mention Smith explicitly, but, **in this section, we will focus on economic aspects in these authors’ analyses to demonstrate the link with the demand in Smith’s market of religions.**

Many of the exposed sociologists are not economists but, following Smith’s market, we analyse economically their sociology. We find economic mechanisms and tools as economic change’s impact on religion (Marx), influence of modernity, science and education on religiosity (Durkheim, Weber and secularization), change in religious preferences (Durkheim, Weber and secularization), rationality (Weber), and market competition (sociological religious market - SRM-).

I. Secularization, a bridge between Smith and sociological market

All aforementioned authors evoke the secularization concept with different degrees: the decline of religious temporal power with development/education (Smith), economic changes (Marx), modernization (Durkheim), or disenchantment/rationalization (Weber). Weber introduces the term “secularization” into sociology (1905, 13 and 96)\(^4\).

There is many definitions of secularization in sociology. It is a paradigmatic concept (Parsons, 1944; Wilson, 1966; Luckmann, 1967; Berger, 1963-67 and 1979; Fenn, 1978; Martin, 1978; Dobbelaere, 1981…). Basically, it is a decline in religion’s influence on society and persons due to economic and social changes: education, science, modernity, rationality, etc. [Table 1]. In our economic lecture, we can see the secularization process as a modification in religious demand.

<table>
<thead>
<tr>
<th>A process of</th>
<th>Authors</th>
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<td>Institutional differentiation</td>
<td>Parsons</td>
<td>Durkheim</td>
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<td>Pluralization</td>
<td>Berger</td>
<td>Marx, Durkheim and Weber</td>
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<td>Privatization/individualization (private sphere)</td>
<td>Luckmann</td>
<td>Durkheim and Weber</td>
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\(^4\) He rarely uses it (Hughey, 1979) and prefers disenchantment, rationalization and intellectualization.
Among secularizations theories, Berger’s process of pluralization (1967) is a competition between religious institutions to offer religion as a good to clients who can make their free choice (Berger, 1967, 138). This pluralization process interests us for two reasons. Firstly, Berger’s theory is a “market situation” (ibid, 138) as Smith; we will name it sociological religious market (SRM). The process of pluralization (induced by Durkheim’s institutional differentiation), introduces religions explicitly into a market (as Smith -without mentioning him-), uses rationalization of religious preferences (as Weber), and attains religious crisis (as Marx). It is a result of demand change induced by economic, social, scientific, and educational developments (as Smith -not mentioned-, Marx, Durkheim, and Weber). This Berger’s SRM encompasses economic hypothesis and concepts; we qualify it as a demand-side market. Secondly, rational choice theorists in sociology and economics of religion (Finke and Stark, 1988) explicitly criticize the SRM of Berger; they develops a further supply-side market (ibid. and Iannaccone, 1991).

Sociologists represent SRM in the continuity of Marx, Durkheim, and Weber’s analyses of religious decline; they put these analyses in the succession of Comte’s assumption of a three-stage model in which society evolves from theological, to metaphysical then to scientific stage (Willame, 1995 and Davie, 2007). However, through our economic lens, we percolate Marx, Durkheim and Weber’s developments of Smithian demand analysis; we seek carefully Smith’s market in SRM.

1. Marxian approach, a Smithian bases

The elucidation of the political instrumentalization of religion puts Marx close to Smith. Marx develops Smith’s decline of religious power (as SRM) and delves religion’s economic bases. We show that he analyses the demand-side of Smith’s market as Durkheim, Weber and SRM. However, more than sociologists, Marx develops also Smith’s supply-side (priest’s salaries); then Marx goes beyond Smith towards the suppression of religion.

Even if Marx does not mention Smith in his religion’s analysis (without ignoring Smith influence on Marx), we will show Marx’s demand-side approach and Marxist development of Smith’s ideas and contributions to secularization theories and SRM. This is why we interpret religion in
Marx’s political-economic analyses. We focus on two themes: the economic basis of religion and the political instrumentalization of religion (its use in social relations of domination, economic system and legitimation of power).

a. Marx’s economic analysis of religion, a demand-side approach. With the elaboration of Marx’s religious (1844), political (1848), economic (1867), materialistic (1845-46, posthumous 1932), and legal (1875, posthumous 1891) analyses, two themes appear central in his view of religion as a demand-side approach:

- Firstly, like State, morals and some intellectual activities, religion depends fundamentally on economic base. Thus, if there is a change in economic life, religion follows it. We can say that a change in the demand (in Smith’s market), as economic development, leads to religion’s change, which forms a contribution to further SRM. If for Smith education is a substitute of religion that State should encourage, Marx refuses Church, but also State, education of the people: “Government and church should rather be equally excluded from any influence on the school” (Marx, posthumous 1891, 77).

- Secondly, the religion’s analysis and class struggles’ history intersect. There is a parallelism in alienation between religion and capitalist economics. The capitalism takes the productivity of labour and transforms it into a material object sold and bought by other than workers, who own only their labour forces (ibid, 61). While religion takes human qualities (morals) and gives them to God. Religion shifts the look of the poor far from injustice. It is a tool to maintain the proletariat exploited by capitalist State; this is the religion “attestation function” in sociology (Willaime, 1995). 5 6

Thereafter, religion is a part of the superstructure of society. The alienation in religion expresses the basic economic misfortune. Religion is “the opium of the people” (Marx, 1844, 15). Indeed, Marx/Smith rejects bourgeois/governmental establishment of religion.

With this demand analysis, Marx (as Smith) wants the separation between State and religion. He refuses public intervention in individual private religious needs: “Everyone should be able to

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5 This Marx’s analysis do not evolve in current economics, except of Cosgel and Miceli (2009).
6 Marx neglects the protest function (against political power) albeit he recognizes it (1844, 15).
7 Society’s non-material productions: philosophy, moral, political institutions, laws…
attend his religious (...) needs without the police sticking their noses in” (Marx, posthumous 1891, 78).

b. Beyond Smith, Marx’s abolition of religion. As Smith, Marx do not interest in religion but in its economic and socio-political functions (Marx, [1847] 1968, 82-3). If Marx’s analysis develops the demand side of Smith’s market, Marx goes further more and opposes religion’s functions to development; he abolishes religion and State simultaneously.

According to Marx, religion’s functions are incompatible with socioeconomic development (as secularization theories). They divinely justify the status quo in favour of bourgeoisie that “has converted the physician, the lawyer, the priest (...) into its paid wage laborers” (Marx and Engels, 1848, 77). With his criticism of priest salaries, Marx is close to Smith’s analysis of priest’s public wages (supply-side). However, the change of the status quo, according to Marx is on the demand-side; it is an economic change from capitalism to communism passing by the revolutionary transition or the “dictatorship of the proletariat” (Marx, posthumous 1891, 73).

The communism “abolishes the present state of things” (Marx, Engels and Weydemeyer, 1845-46; in Marx and Engels, 1848, 174) and the superstructure of oppression, including religion. The revolution changes religion: “man’s consciousness, changes with every change in (...) his material existence (...) the ruling ideas of each age have ever been the ideas of its ruling class” (Marx and Engels, 1848, 98-99). Carefully, we can say that the suppression of religion without eco-political transformation rises the suffering of the people that loses its compensation.

Therefore, we see how Marx continues Smith (economic determinants of religious demand) in a demand-side approach and contributes to further secularization theories and SRM: an economic change leads to a religious change.8

2. Durkheim, from Smith to secularization thought the decline of the demand

The continuum of Smith’s market of religions and development/education influence on religion’s power also manifests itself with Durkheim. Durkheim continues the analysis of Smith about development and education impact on religion’s power, which mean for us the demand side of

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8 Marx adopts a functional explanation; his analytical key is to discover religion’s economic bases and eco-political functions. So we see Marx’s functionalism close to Smith, his interest is not the beliefs but religion’s political, economic (Smith and Weber) and social (Durkheim and Weber) roles. The explanation of why people hold their beliefs puts Marx close to Durkheim, especially their interests in society.
the market. Durkheim is indispensable to the secularization theories and SRM as he founds their basis (with Marx and Weber). Economically, we will show that Durkheim (as Marx, Weber and SRM) delves the demand side of Smith’s market (without mentioning him).

a. A social analysis of religious demand. In the line of Smithian demand approach, Durkheim adds his social dimension and estimates that social change causes religious change. He sees almost every enterprise of human life, such as laws, morality, work, family, science, and surely religion, via the social prism. Namely, without a society that gives them birth, these institutions could not exist (Pals, 1996). Durkheim believes that morality, which is the obligation of everyone towards others and of all towards the group, is inseparable from religion and both are inseparables from social framework. If this framework changes, from traditional to modern society (Durkheim 1893), morals and religion change.

Durkheim goes further in the demand (or social) influence on the good (religion) and considers that religions can born, die or renew themselves if society supports or abandons them (Willaime, 2013). All religions “answer (...) to the given conditions of human existence” (Durkheim, 1912, 3). In economic terms, Durkheim says demand creates its own supply. His interest in religious demand returns to his consideration that he cannot fully explain society without religion; the two are inseparables and indispensables for each other: “religion is a social institution (...) religious ideas are social” (1902-03, 66).

b. Durkheim, the decline of religious demand. As Smith’s negative link between education and religion, Durkheim considers that science diminishes religion’s cognitive functions and disputes its claim to regain knowledge enterprises: “among the more advanced thinkers science has replaced religion” (Durkheim, 1902-03, 66). However, science cannot eliminate religion or prevent individuals from acting according to beliefs (Willaime, 1995) because religion is a “speculation upon all that which evades science or distinct thought” (Durkheim, 1912, 33). We can say that Durkheim evokes a moderate secularization.  

With his analysis of the decline of religion’s power, Durkheim contributes to secularization theories. He notices religion’s social weakness: “religion tends to embrace a smaller (...) portion

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9 Durkheim does not estimate religion’s elimination (as Marx); religion gives some social place to science and the two coexist with modernity due to their social basis: “science- in part the heir of religion and having religious origins- is also a work of society” (Durkheim, 1902-03, 66).
of social life. Originally, (...) everything social is religious (...). Then, (...) political, economic, scientific functions free themselves from the religious function, constitute themselves apart and take (...) temporal character” (Durkheim, 1893, 143-4). In the continuity of Smith, Durkheim (as Marx and Weber) introduces development impact on religiosity to SRM, precisely these three changes in the demand (Pals, 1996):

- Socially, instead of the traditional European system (family and religious ties), a new “contractual” order emerges in which private concerns and financial interests dominate.
- Behaviourally, new ideals challenge Church’s values; they emphasize reason on faith and desire for happiness in this life over hope in the afterlife.
- Politically, democracy and central States change the social control; political parties and States participate in the orientation of individuals, which are less connected to their previous moral teachers (family and religion).

These Durkheimian tendencies form three changes in demand that lead to a religious change\(^{10}\): society determines and religion is determined.\(^{11}\)

Thus, Durkheim continues Smith’s development and education impact on religion’s power or the demand side. He contributes, with Marx and Weber, to secularization theories and SRM.

3. Weber, from Smith to rational secularization of religious demand

In the continuity of Smith, Weber evokes the rationalization and disenchantment of the world via science and development. In our economic reading, we see that the analysis of Smith about the decline of clerical power due to science exists in Weber’s disenchantment process. Weber (as Marx and Durkheim) delves the demand in Smith’s market and contributes to secularization theories and SRM.

\(^{10}\) We note that religious changes does not mean a suppression of religion. Durkheim considers religion unavoidable at the moral level (Durkheim, 1902-03, 14-15). He also distinguishes the functions of changeable beliefs from persistent rites, which are a constitutive dimension of the “We (Nous)” (Durkheim, 1912). Durkheim evokes the religion’s social decline but “makes the society a Church” (Willaime, 2013, XV). In some way, he keeps religion (moral and practice), or its civil/national substitute, as a “soul of society”.

\(^{11}\) This process is criticized. Firstly, social and religious superimpose (Willaime, 1995). An analytic circularity begins where it ends: the religious is the social (Pals, 1996). Secondly, even if his reductionism is less than Marx, but Durkheim still “reductionist” (Pals, 1996); both reduce religion to economics or society.
a. Weber’s secularization, the disenchantment of the world. Weber, especially The Protestant Ethics (1905), does not oppose religion to modernity and he interests in more than Calvinism-capitalism relationship. Furthermore, the Weberian disenchantment of the world begins with Judaism religion (Weber, 1917-19, 485) and “Hellenistic scientific thought” (Weber, 1905, 107), realizes with Puritan ethics and concludes with “worldly asceticism” (ibid, 92-196). Via the puritan intra-world asceticism, a decisive impulse rationalizes economics and life (Weber, 1915, 380).

Until now, we are not in a Smithian demand process. But, in the disenchantment process, Weber means by rationalization the deployment of instrumental rationality in the different social spheres (Bobineau and Tank-Storper, 2012); it is a rationality of the means according to finality. The rationalization, impulse partially by religion, diminishes religion’s impact on individuals’ life.

b. Weber’s rationalization, a decline of religious demand. With modernity, intellectualist rationalization dominates by science: “Either this power is not omnipotent or not kind, or, entirely different principles of compensation and reward govern our life - principles we may interpret metaphysically, or even principles that forever escape our comprehension” (Weber, 1919, 69-70; in Bobineau and Tank-Storper, 2012, 39).

Weber sees modernity as a rationalization of the social life, State, law, science, economics… The rationalization diminishes the mechanism that God ordains the world; thus, it will be oriented, somehow, around an ethical sense (Weber, 1915-20, 448). The world processes disenchant (Weber, posthumous, 1921, 268; in Bobineau and Tank-Storper, 2012). With modernization, religion, which was at the origin of the rationalization process, sees itself in a kind of irrationality (Weber, 1915-20, 448). This modernization-religion relationship via rationalization is a demand analysis as Smith and it is also Weber’s contribution to SRM.

12 Weber (1910-13) distinguishes finality, value, charismatic/affective and traditional rational activities.
13 Weber is less reductionist then Marx (economics) and Durkheim (society). Weber is close to Durkheim (economically) by their demand side analysis without negative judgment on religions’ functions and (sociologically) by practices persistence. We can see a link between Weber and Durkheim analyses. As Durkheim ties religion and moral, Weber ties values and religion. He explains that the world must be shaped according to ethical norms (Weber, 1915, 390-1). Furthermore, as Durkheim, Weber considers that this world encompasses necessarily practices: the practices infuse religions into a social dimension (Kippenberg, 2009).
Even if Smith is not between Weber’s (1905) references or footnotes in the disenchantment process, he is firstly in the reference of the book and the Weberian process is secondly a demand side analysis: rationalization and science diminishes religion’s influence on individual choices.

Thus, in their velvet gloves, Marx’s economic change, Durkheim’s modernity and education as Weber’s rationalization scrutinize the decline of religious demand in Smith’s market. Their analyses, that reach different degrees of secularization, lead to a new theory of religion with Berger’s demand-side market in the 1960s.

II. A sociological demand-side market

After Smith’s first competitive market, the sociologist of secularization Berger (1963, 1966, 1967 and 1979) is the second author who introduces religions into a market competition. This “market situation” (Berger, 1967, 138) is realized when religious institutions offer religion as a good to clients who can make their free choice.

Berger does not mention Smith. The three most mentioned authors in his book (1967) are Marx, Durkheim and Weber. With our aforementioned economic reading to sociological analyses, we will demonstrate that Berger’s market is a demand-side market that possess economic (Smithian) framework, adopts demand mechanisms (Marxian, Durkheimian and Weberian) and reaches eco-political and socioeconomic (Marxian) results. We will name Berger’s market the “sociological (religious) market” (SRM) to distinguish it from further rational choice’s markets (1980-90s).

1. Smithian economic framework

According to Berger (1967), SRM tends to “laissez-faire” competition (ibid, 142). Pluralism occurs when the State tolerates different religious groups that “engage in free competition” (ibid, 135), which is close to atomicity in economic pure competition and Smith’s market. So the ex-established monopolies can no longer take for granted the allegiance of their faithful (ibid, 135) - as Smith, which is close to free circulation in perfect competition. Therefore, pluralism is a “market situation” in which religious institutions become “marketing agencies”, religious traditions become “consumer goods” and clientele is not forced to “buy” (ibid, 138); this hypothesis of religious goods is close to sustainability in pure competition.

14 Berger’s market (1963) and pluralism (1966, with Luckmann) analyses introduce SRM-Chap.6-(1967).
This “market situation” changes the monopoly structure from exclusive control and predefined “results” to competitive marketing agencies with “rationalization of socio-religious structures” (ibid, 138-9). This rationalization is close to Smith’s market (WN, 744-46) and his analysis of the Reform and the competition between Catholic and Protestant in Europe (WN, 757-63) (it is also close to Weber’s analyses (1905)). For example, established Nordic Churches have bureaucratic structures but American Churches tend to economic corporations. In a market, a religious institution cannot use the political apparatus facing its rivals (ibid, 142).

As Smith, Berger’s uses a market but attains other results with demand-side mechanism inspired from the fathers of sociology, without the Smithian supply analysis.

2. Demand-side mechanism

If Berger adopts implicitly a Smithian framework (market), the mechanisms of his market are an explicit synthesis of the three fathers of sociology. In our economic terms, SRM adopts the demand-side mechanism of Durkheim and Weber in a (Smithian) market of religions. Demand declines (secularized preferences); consumers (society) dominate; goods (religions) and suppliers (institutions) adapt; demand creates its own supply.

Berger defines two types of secularization that coexist in SRM. Firstly, the simple or objective secularization signifies that the “society and culture are removed from the domination of institutions and religious symbols” (ibid, 107), which is close to Durkheim. Secondly, the consciousness or subjective secularization signifies that individuals “look upon the world and their own lives without (...) religious interpretations” (ibid, 108); this wordanization is close to Marx’s materialism (economic bases of religion) and emancipation and to Weber’s disenchantment. These two secularizations mean a decline of religious demand (Smith).

With the pluralism of suppliers and the secularization of demand, the marketing takes “wishes concerning the commodity” (ibid, 145) in consideration; in our economic terms, the change of demand and competition introduce consumers preferences in the market. This demand secularization affects religion (good) and churches (supply). The religious content changes (churches advance values suitable to secularization); religion is sold in the private sphere and the consumer preferences reflect this sphere’s needs. Therefore, churches standardize goods (according to consumer preferences) with marginal differentiation (ibid, 146-8); they have less temporal influence.
According to SRM, pluralistic situation “plunges religion into a crisis of credibility” because it is difficult to maintain/construct viable “plausibility structures” after de-monopolization (ibid, 151); the individuals preferences challenge religious definitions of reality. In the market, many “plausibility structures” compete and “Religion no longer legitimates “the world’” (ibid, 152); this is close to Weber’s disenchantment. Then, religious institutions face two options in the market (with intermediate possibilities). They can accommodate pluralism and adapt to consumers preferences, as Protestantism, or they can resist change (ibid, 153), as Catholic Church in Europe (Casanova 1994; in Davie, 1999). Every institution must theologically justify its choice, which creates a “crisis of theology” (Berger, 1967, 156). These crises (credibility/plausibility, Church and theology), induced by secularization and pluralism, have almost Marxist degree (but through market and not revolution). Economically, we represent SRM by this mechanism (Diagram 1).

Diagram 1. Mechanism of the sociological religious market

<table>
<thead>
<tr>
<th>Secularization and pluralism</th>
<th>Consumers’ preferences secularized</th>
<th>Adaptation of supply to demand</th>
<th>Religion in private sphere</th>
<th>Decrease of religions’ public role</th>
<th>Crisis of religion</th>
</tr>
</thead>
</table>

Therefore, SRM adopts Smith’s hypothesis with Marx, Durkheim and Weber’s mechanisms. SRM puts religions in a market as Smith (not mentioned) and continues Smith and Marx’s separation and economic changes influence on churches. Although, SRM analysis the impact of secularization and rationalization (demand) on religious institutions (supply) and religion (good), as Durkheim and Weber. On the results’ side, SRM exposes a religious decline as Marx, Durkheim and Weber. If we look at the different degrees, abolition of religion (Marx), decrease of social weight (Durkheim) and disenchantment (Weber), SRM’s crisis of religion is closer to Marx (Table 2 and Diagram 2).

After the 1960s, Berger (1979) reaffirms his process; than he evokes the “desecularization of the world” (1999) (with western European exception). Even with this revision, SRM stills the basis of the market analysis in sociology of religion and the critics of SRM lead to supply-side markets of religions based on rational choice theories: sociological “religious economy” and economic “religious market”.

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Table 2. Summary of the demand-side development of Smith’s market (section 2)

<table>
<thead>
<tr>
<th>Theories</th>
<th>Results</th>
<th>Authors</th>
<th>Methodologies</th>
<th>Smith’s Ideas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opium of the people</td>
<td>Religion’s economic bases</td>
<td>Marx and Marxists</td>
<td>Economic, historical and materialistic analyses</td>
<td>Political instrumentalisation of religion</td>
</tr>
<tr>
<td></td>
<td>A tool of the bourgeoisie to keep workers in their conditions</td>
<td></td>
<td>Class struggle</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Economic change leads to religious change</td>
<td></td>
<td>Demand changes supply</td>
<td></td>
</tr>
<tr>
<td>Classical and moral secularization</td>
<td>Institutional differentiation</td>
<td>Durkheim and Durkheimian</td>
<td>Social analysis</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Modernity decreases beliefs</td>
<td></td>
<td>Demand creates its supply</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Social change leads to religious change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disenchantment of the world</td>
<td>Rationalization of the State, law, science, economics…</td>
<td>Weber and Weberian</td>
<td>Socioeconomic and historical analyses</td>
<td>Change in demand Education, science and economic development diminishes religion’s power</td>
</tr>
<tr>
<td></td>
<td>Loss of religion’s impact on individuals</td>
<td></td>
<td>Demand creates its supply</td>
<td></td>
</tr>
<tr>
<td>Secularization theories</td>
<td>Economic and social changes lead to religious’ preferences change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Diminish the religion’s power</td>
<td>Parsons, Wilson, Luckmann, Berger, Fenn, Martin, Dobbelaeere…</td>
<td>Sociological analyses</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Demand creates its supply</td>
<td></td>
</tr>
<tr>
<td>Sociological religious market</td>
<td>Modernization, science, development, institutional separation, and pluralism diminish the religion’s power</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Berger</td>
<td>Market of religions</td>
<td>Market of religions Competition</td>
</tr>
<tr>
<td></td>
<td>Change in demand</td>
<td></td>
<td>Economic hypotheses</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Religion in private sphere</td>
<td></td>
<td>Sociological mechanisms</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less religion’s public influence</td>
<td></td>
<td>Demand creates its supply</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Section 3: Smith’s legacy, rationality in a supply-side market

If the SRM delves the demand side of Smith’s market of religions and explains religious decline induced by economic (Marx), social (modernization -Durkheim) and preferences (rationalization -Weber) changes, it neglects Smith’s micro-supply side as the clergy’s wages, motivation, laziness, and sectarian divisions. Nevertheless, the micro-supply side does neither introduce sociology nor reintroduce economics except under Becker’s rational choice theory (RCT) influence in the 1980s. Its introduction in SRM leads to a new sociological theory, paradoxically named “religious economy”15 (1980s). This sociological religious economy -SRE- contradicts the SRM’s demand approaches. RCT in sociology creates the methodological “Great Schism” in the markets of religions history; it is a distinction between demand and supply mechanisms. Based on the SRE, the theory “religious market” (ERM) emerges in economics (1991) and adds an explicit reference to Smith, which is the return to the source of the market of religions.

As we do in the previous section, we will demonstrate Smithian legacy in sociological RE; ERM explicitly refers to Smith and continues SRE. We will also observe that economists’ return to Smith’s market of religions (1991) is not an objective; the interest of economists in Smith’s market appears only after the emergence of the sociological RE. The sociologists loop the two centuries’ link between Smith (1776) and current economic religious market (ERM, 1991).

I. Economic rationality, the methodological revolution in sociological market

Many other sociologists criticize the secularization as a pluralization process in a market initiated by Berger. A debate exists about the effect of competition between religions on religiosity (religious demand). We can mention, inter alia, the sociological RE (Finke and Stark, 1980s), the neutral effect of competition (Breault, 1989b) and the natural religiosity independent from competition (Olson, 1998) (Diagram 3).

In fact, the sociological RE interests us for three reasons. Firstly, as SRM, the SRE continues Smith’s market, deregulation and religion’s public role, but reaches, with a supply-side mechanism, different conclusions from SRM; SRE’s results are close to Smith’s supply analyses. Secondly, SRE appears with its supply-analysis of competition under the influence of Beckerian

15 The “religious economy” signifies a market of religions differently from the “religious economy” that evaluates economic policies according to religious principles such as Islamic economics and finance.
RCT and sociological exchange theory of Blau and Homans; we can see the SRE as the sociological daughter of Becker’s rationality. Thirdly, economists of religion develop current economic market in the continuity of SRE.

Diagram 3. Debate about religious competition in sociology

In the continuity of the market of religions as Smith, but by using RCT and a micro-supply mechanism, two sociologists, Finke and Stark (Stark, 1985, Stark and Bainbridge, 1985 and 1987 and Finke and Stark, 1986; in Finke and Stark, 1988), reinterpret differently Berger’s pluralism analysis and criticize SRM’s demand mechanism. They elaborate the sociological “religious economy” (SRE).

1. Smith heritage, analyses of religious suppliers’ behavior

By delving the SRE, we see that Finke and Stark (1980s) adopt simultaneously Smith’s ideas about religious supply (without mentioning him) with behavioural economists and sociologists’ analyses (Bau, Homans and Becker).

Besides the market of religions, SRE adopts two of Smith’s micro supply analyses, but without mentioning him. It evokes specialization of supply with the competition, which is the sectarian

This diagram is based on many papers results: Wallis and Bruce (1984); Bruce (1995); Breault (1989b); Finke, Guest and Stark (1996); Olson (1998); Finke and Stark (1998); Bouma and Ling (2011).
divisions in the $\mathcal{W}N$, and monopolistic laziness, which is the consequence of monopoly according to Smith.

Economically formulated by Becker (1976), RCT has bases in sociology with the sociological exchange theory initiated by Blau and Homans (1964; in Ferrant, 2008, 8). This “sociological RC” in SRE springs from a mixture of these two economic and sociological theories as Davie explains in his book *The Sociology of Religion: A Critical Agenda* (2007).

Thence, RE binds, implicitly, the analyses of Smith (and Simmel)\textsuperscript{16} and, explicitly, those of and sociological and Beckerian RC (and Tocqueville)\textsuperscript{17}.

2. *A sociological supply-side market, precursor of economic market*

Differently from secularization, the significant religious changes derive from the supply changes according to the RE (Finke, 1997). Finke, Stark and Bainbridge (1980s, aforementioned works) adopt the hypothesis of competition after the separation of State and religion as Smith and SRM (without mentioning Smith because Berger (1967) does not mention him), but analyse it differently:

- Firstly, the separation helps religions to flourish. Differently from Berger’s “plausibility crisis”, the juxtaposition of many religions relativizes the value of each and increases the individualization of religion. In our terms, religious demand thrives due to deregulation that maximizes religions’ efforts to attract/preserve the members (as Smith). While, less competitiveness religions exit the market.

- Secondly, the competition does not weaken religion. In an explicit critic to Durkheim, secularization and SRM, Finke and Stark (1988) consider that religious mobilization is higher in pluralism zones (in cities); the development and modernization do not diminish religiosity. Moreover, the pluralism transforms religions into a personal choice by offering various individual options to satisfy various needs (Willaime, 1995).

Therefore, SRE agrees with SRM that separation puts ex-established religions in a competitive market (as Smith); but competition stimulates religious demand, unlike the SRM’s crisis. This SRE is the precursor of microeconomic market of religion in the 1990s.

\textsuperscript{16} SRE theory crosses Simmel’s vision of modern religiosity (without mentioning him).

\textsuperscript{17} Finke (1990) refers to Tocqueville’s analyses (1835-40) of the religion in the American society.
3. Sociological religious economy of rational choice

Under the influence of the new micro-supply analysis and RCT, Stark, Bainbridge and Finke (1980s) separate themselves from Berger’s SRM in the consequences of competition. The sociological RE (Finke and Stark, 1988), as SRM, considers that when and where repression wavers, pluralism pierces in the market. But Berger believes in the superior organizational power of monopoly faith, as in the Middle Ages. At this level, the demand/supply schism appears in the markets of religions. SRE considers that with monopoly, the religious indifference is “omnipresent” and the commitment in earlier epochs is “wrong” (Finke and Stark, 1988, 42), because one faith cannot satisfy the needs of a segment in the market without sacrificing other segments (e.g. allowing or prohibiting alcohol). The market cannot be monopolized due to the differentiation of consumer preferences; the monopolistic enterprises are “lazy” (ibid).

In fact, this monopoly-laziness link goes back to Smith (before RE) and the expression “Lazy monopolies” belongs to Hirschman (in Seidler, 1979). The competition specializes supply and religious organizations meet a larger part of the demand; this specialization rejoins Smith’s sectarian divisions (supply analysis), but without mentioning him. Therefore, specialized and aggressive churches increase the religious belonging and participation. In our terms, differently from SRM, SRE considers that supply creates its own demand as we represent in the mechanism below (Diagram 4).

Diagram 4. Mechanism of the sociological religious economy

II. Microeconomics inherited of Smith’s market and rational sociology

In the continuity of Finke and Stark (1980s), microeconomists elaborate since 1990s the economic “religious market” (ERM) theory (Iannaccone, 1991), which is a supply-side market based on sociological RE and Becker’s RCT with an explicit reference to Smith. Through sociologists, the market of religions reintroduces economics; subsequently, economists and sociologists of supply-side market write papers together to defend SRE and ERM supply-mechanism (Iannaccone, Finke and Stark, 1997).
I. Explicit return to Smith’s market

Microeconomists of religion consider Smith the first economist of religion (Iannaccone, 1998 and Iyer, 2015). ERM develops SRE by theoretical and empirical models with an explicit return to Smith, which ensures a link between sociologists of SRE and Smith. Iannaccone (1991) cites explicitly Smith’s WN in the introduction of his article *The Consequences of Religious Market Structure: Adam Smith and the Economics of Religion*. ERM continues Smith’s separation, competition in a market and micro supply analyses of religions, especially specialization of supply, laziness of monopoly and clergy’s motivation by self-interest.

Nevertheless, the return to Smith is not unconditional. Microeconomists, as sociologists of SRE, do not consider that development and education decrease religion’s power (Iannaccone, 1998), which is different from Smith, Marx, Durkheim, Weber, secularization theories, and SRM’s analyses. Yet, microeconomists do not criticize Smith in this dimension; they target explicitly secularization theories (*ibid*) and Hume’s idea of religious decline (Stark, Iannaccone and Finke, 1996).

2. A microeconomic supply-side market

Microeconomists join sociological RE by their common RC approach. ERM binds Smith’s market (as SRM and SRE) and Becker’s RC (as SRE); it uses micro supply-side mechanism.

a. Becker’s approach in Smith’s market. Iannaccone (1991) is the first to use the term “religious market” (not Smith). He is the first economist who empirically tests Smith's theory of religious competition in 17 countries (*ibid*): churches’ attendance rises with competition (more than 40% in the United States) and weakens with monopoly (less than 10% in Nordics). The religious deregulation analysis in ERM uses microeconomic tools to analyze religion as a good. The ERM’s has two economic pillars:

- Firstly, Smith’s micro supply analyses appears in ERM: “*self-interest motivates clergy* (...) *the benefits of competition, the burdens of monopoly, and the hazards of government regulation are as real for religion as any other sector of the economy*” (Iannaccone, 1992, 128). As SRM and RE, ERM is a “laissez-faire” situation (Iannaccone, 1994).
- Secondly, Becker supervises Iannaccone’s PhD; the RCT is clear in ERM: “*(agents) approach all actions in the same way, evaluating costs and benefits (...) to maximize*
their net benefits” (Iannaccone, 1995, 77). Religion satisfies needs of individuals who make (modifiable) RC of beliefs and practices, if they want (ibid).

b. Microeconomic extension to sociological “religious economy”. The ERM apply Becker’s RCT to Smith’s market of religions, but it is more a continuity, by theoretical and empirical models, of sociological RE and its supply mechanism. In ERM, as in RE, regulations restrict competition by changing the incentives and opportunities of producers and consumers. According to RE, de-monopolization gives freedom to producers and various options to every consumer, which actively supports his freely chosen religion (Finke, 1990). Same for ERM, a religion develops if and only if it produces a good at least as attractive as their competitors produce; the competition multiplies consumers’ choices; the market vitality depends on its competitiveness (Iannaccone, 1991). While State regulation diminishes the suppliers’ efforts, which adapt to public wages/subsidies and no longer respond to consumer preferences (as Smith’s supply side); moreover, public religious provision is ineffective and government control reduces social welfare (ibid); for instance, monopoly decreases medieval Catholic Church popularity (Ekelund, Hebert and Tollison, 2002). In addition, ERM (Hylton, Rodinova and Deng, 2011) shows that regulation creates a (Smithian) lazy monopoly, corruption and lobbying. With their close markets, sociologists of RC and microeconomists respond together to critics (Stark, Finke and Iannaccone, 1995) and evoke American experience (ibid, 1997).

Therefore, according to microeconomists of religion, in the continuity of sociologists of RC, deregulation acts on supply that creates its own demand, as we present in the process below (Diagram 5).

Diagram 5. Mechanism of economic religious market

Thus, the RCT splits the demand approach (Durkheim, Weber and SRM) and procreates, from SRM, two new, sociological and economic, markets with a micro supply approach.19

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18 Frey (1997b) sees that the excess of money weakens faith of religious orders (and not public funding).
19 Many sociologists and economists criticize SRE and ERM’s supply-side analysis of competition and RTC application to religion: Breault, 1989a; Ellison, 1995; Chaves, 1995; Carroll, 1996; Hardin, 1997;
Section 4: Smithian origins and sociology-economics hybridization in a tree

After our explicitness of the ideas evolutions from Smith’s market and their links with it, we respond in this section to the issue of the contradiction/complementarity between economic and sociological markets of religions. We present all the theories in one tree, for the first time in the two disciplines, explaining the sociology-economics hybridizations and showing interdisciplinary diaspora of Smith’s ideas.

I. The historical tree

Our economic reading of sociology shows that the separation of State and religion puts, implicitly or explicitly, religion in a Smithian market of religions. The results of competition between religions creates a debate between demand-side and supply-side markets (Table 3).

In our tree, we identify six fields of research continuing Smith’s market of religions:

- Marxian sociology (Marx, 1841, 1844, 1845-1846, 1848, 1858, 1867 and 1875): Demand analysis: economic changes cause religious changes; religion has economic basis; bourgeoisie uses it to justify the conditions of the workers.

- Durkheimian sociology (Durkheim, 1893, 1890-1900, 1898, 1902-3 and 1912): Demand analysis: social changes cause religious changes; modernity, education and development diminish religious demand.


- Traditional sociology of religion -secularization- (Parsons, Wilson, Luckmann, Berger, Fenn, Martin, Dobbelaere… 20th): Demand analyses: modernity, economic development, rationalization, and/or pluralism decrease the religion’s role and the religious demand.


Sherkat, 1997; Ammerman, 1997; Spickard, 1998; Frey, 1997a; Bankston, 2002; Sharot, 2002; Hamilton, 2009…
Moreover, we identify three markets:


- Sociological religious economy -SRE- (Finke, Stark, Bainbridge, and Guest 1980s and 1990s): secularization and pluralism impose competition between religions, specialize the supply, diversify consumer choices and increase religious demand.

- Economic religious market -ERM- (Iannaccone, since 1991): market deregulation pushes towards competition, multiplies suppliers’ efforts and increases religious demand.

In addition, we distinguish two grand theories:

- Secularization theory encompasses several theories, which agree that modernity diminishes religious demand: the market mechanism of SRM, achieved through secularization and pluralism and via demand analysis, diminishes religiosity and religion’s public role.

- Theory of religious market separates itself from SRM with sociology of RC and formulates itself in economics of religion: the competition in a deregulated market, through a supply analysis, increases religiosity and religion’s public role.

### Table 3. Demand and supply analyses in theories, markets and fields

<table>
<thead>
<tr>
<th>Smith’s market</th>
<th>Mechanisms</th>
<th>Markets</th>
<th>Fields of research</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Secularization</td>
<td>Sociological religious market</td>
<td>Marxian</td>
</tr>
<tr>
<td>Demand analysis</td>
<td></td>
<td></td>
<td>Durkheimian</td>
</tr>
<tr>
<td></td>
<td>Rational choice</td>
<td>Sociological religious economy</td>
<td>Weberian</td>
</tr>
<tr>
<td>Supply analysis</td>
<td></td>
<td>Economic religious market</td>
<td>Traditional sociology of religion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Modern sociology of religion</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Economics of religion</td>
</tr>
</tbody>
</table>
Dissemination of Smith’s market of religions between demand and supply analyses in a tree

- **Smith (1776)**
- **Marx (1841, 1844, 1845-1846, 1848, 1858, 1867, and 1875)**
- **Durkheim (1893, 1890-1900, 1898, 1902-3, and 1912)**
- **Finke, Stark and Bainbridge (since 1985)**
- **Iannaccone (since 1991)**

- **Tocqueville (1835-1840)**
- **Blau and Homans (1964) and Becker (1976)**

- **Secularization Theory (Demand)**
- **Theory of Religious Market (Supply)**

- **Dark Blue line: Evolution**
- **Light blue: Influence**
- **Smith: Founder of the market of religion**
- **Marx Durkheim and Weber: Founders and contributors to secularization**
- **Berger: Secularization via sociological market**
- **Finke, Stark, Bainbridge, and Guest: Sociological theory of “religious economy”**
- **Iannaccone: Religious market theory in economics**
II. A Smithian source for economic and sociological market of religions

The sociology-economics hybridization manifests itself by the (neglected) Smithian basis of the sociological and economic markets of religions with a demand and supply distinction. Smith’s competition between sects and separation between State and religion are commons in sociology and economics of religion. Smith’s market analyses (demand and supply) exist partially in the both disciplines; Smith found the first market of religions.

Sociologists, through the introduction of the RCT in SRM, carry out a decisive Beckerian schism in sociology that leads to the ERM; the economic rationality split the sociology of religion. There is no separation between sociology and economics of religion but between demand and supply approaches. Firstly, ERM would not exist if sociological RE did not exist; the religion’s analysis develops during the 20th century in sociology reintroduces the market of religions in economics. Secondly, on the one hand, sociologists as Stark and Finke (since 1980s) support ERM and develop it with Iannaccone in common publications (1995, 1996 and 1997) and, on the other hand, macroeconomists (McCleary and Barro, 2006) support secularization facing ERM.

Furthermore, economists would gain by accepting our economic reading of Durkheim, Weber, secularization theories, and SRM. This gain is the recognition of a demand-side market of religions beside the supply-side (Beckerian) “religious market”.

III. The dissemination of Smith’s ideas without one Smithian theory

Smith’s interdisciplinary imposes itself in his succession. Economists neglect Smith’s analyses for two centuries (1776-1991) but his ideas integrate political economy, sociology and socioeconomic before economics; this delay does not eliminate economic concepts from these disciplines. Economic mechanisms and markets of religions surpass current economics. The ideas evolutions, which we draw from Smith to sociology then to current economics, show that Smith’s market of religions disperse in an interdisciplinary dissemination (Table 4).
<table>
<thead>
<tr>
<th>Disciplines</th>
<th>Smith’s ideas in further theories</th>
<th>Theories</th>
<th>Results</th>
<th>Authors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political</td>
<td>Suppression of ecclesiastical government</td>
<td>Separation of State and religion</td>
<td>Many (depending on philosophies, cases and degrees)</td>
<td>Locke, Montesquieu, Voltaire, Rousseau… (before Smith); Madison, Jefferson, Marx, Durkheim, Weber, Briand…</td>
</tr>
<tr>
<td>Economy</td>
<td></td>
<td>Political instrumentalization of religion analyses</td>
<td>Religion serves the bourgeoisie and keeps workers in their conditions</td>
<td>Marx and Marxians</td>
</tr>
<tr>
<td>Demand</td>
<td>Development diminish the clergy’s power</td>
<td>Opium of the people</td>
<td>Economic changes lead to religious change</td>
<td></td>
</tr>
<tr>
<td>Analysis</td>
<td>Scientific and philosophical studies and artistic, industrial and commercial advances diminish the clergy’s temporal power</td>
<td>Secularization</td>
<td>Social changes lead to religious change</td>
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<td>Sociology</td>
<td>Scientific studies diminish the religious mores</td>
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<td>Modernization diminishes religion’s public role and belief but ritual persists</td>
<td>Durkheim and Durkheimians</td>
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<td>and socio-</td>
<td>Competitive market of religions</td>
<td>Sociological Religious Market</td>
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<td>economics</td>
<td>Scientific studies diminish the clergy’s temporal power and religious mores</td>
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<td>Modernization diminishes the religion’s role</td>
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<td>Supply</td>
<td>Competitive market of religions</td>
<td>Sociological Religious Economy</td>
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<td>analysis</td>
<td>Competition rises suppliers’ efforts Freedom to choose religion</td>
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<td>Economics</td>
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<td>Religious institutions little influence in public sphere and individual levels</td>
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<td>Self-interest motivates clergy Competition rises suppliers’ efforts Freedom to choose religion</td>
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If the interdisciplinary theories return (explicitly or implicitly) to Smith’s market of religions, they do not develop a Smithian theory of religion. No theory after Smith develops all Smith’s analyses of religion. Still, economists neglect many of Smith’s ideas, as his non-criticism of the Scottish Church establishment (his country), his analysis of the financing of churches or his objective from the separation and the competition. There is a partial reading of Smith.
Conclusion

This paper presents a joint history of the mechanisms in which sociology and economics analyse religion in a market, from their common (Smithian) origin to their most contemporary developments. The first market of religions initiated by Smith has a double dimension. The so neglected demand dimension considers that economic development and education diminish the clergy’s temporal power and religious demand. The micro supply dimension considers that self-interest motivates clergy and competition multiplies the “sects”, which develop the supply, diversify consumers’ choices and raise the demand.

In our economic perusal, we put the fathers of sociology’s analyses in Smith’s market; we demonstrate that they delve its demand side. They predict a religious demand decline induced by economic changes (Marx), modernization / education (Durkheim) or rationalization / disenchantment (Weber); they lead to sociological religious market (SRM). We qualify these approaches as a demand-side market of religions, in which secularized demand leads to a crisis in religious supply.

However, the introduction of the behavioural sociology and the rational choice theory (RCT) in the “sociological religious market” (SRM) pushes the market closer to Smith’s supply dimension; the sociological “religious economy” (SRE) and economic “religious market” (ERM) consider that competition motivates suppliers and diversifies consumers’ choices; motivated suppliers raise the religious demand. Through sociological bridge, Smith’s market of religions reenters current economics.

Finally, our paper shows that Smith is the ancestor of the competition analysis in the sociology of religion. In fact, economics does not oppose sociology, but a methodological schism appears with the introduction of the RCT in sociology. This schism is between the demand (Marx, Durkheim, Weber, secularization, and SRM) and the supply (SRE and ERM) approaches. A Smithian basis and sociology-economics hybridizations appear with the markets evolutions. Finally, there is an absence of a current Smithian theory/market of religion.
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