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CLUB MORMON

FREE-RIDERS, MONITORING, AND EXCLUSION IN THE LDS CHURCH

Michael McBride

ABSTRACT

The Mormon Church is best understood as a club, in the economics sense of the term. It succeeds, in part, because it identifies and selectively rewards high contributors, thereby limiting free-riding and producing large religious benefits for its members. First, it offers a menu of club goods of varying excludability, with the most valued goods excluded from less-committed members. Second, to enforce this menu, it actively monitors its members using a sophisticated administrative structure. The menu design reflects to an extent the costs of excludability of various religious goods, and the menu-monitoring approach implicitly allows some free-riding to dynamically foster commitment. Because the menu-monitoring approach is best understood as complementing other methods in achieving the Mormon Church's religious goals, these findings yield insights into the activities of other religious groups.

KEY WORDS • religion • game theory • rational choice • organization

1. Introduction

The Mormon Church is certainly no country club. The dues are too high – ten percent of your income – and the activities are not quite so leisurely – hours a week in official Church assignments and potentially more in unofficial activities. Yet, when grading the satisfaction of their Church membership, Mormons report an average of 3.8 on a scale of 4, compared to 2.1 by Roman Catholics, 2.3 by liberal Protestants, and 3.1 by conservative Protestants (Stark 2005: 92), and this high satisfaction

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is due in part to the Mormon Church's effective methods in producing what economists call 'club goods'. Understanding these methods yields insights into one of the most successful new religions in the United States as well as into the production of religious services in other religious groups.

To economists, 'a club is a voluntary group deriving mutual benefits from sharing one or more of the following: production costs, the members' characteristics, or a good characterized by excludable benefits' (Sandler and Tschirhart 1997: 335).[1] This broad definition applies to many types of organizations, from country clubs to religious groups. However, all such clubs have a common concern. Because production is social, club members have incentives to free-ride by limiting their own contributions while still consuming the benefits generated by others' contributions, but if everyone free-rides, then the club fails to produce large benefits. In order to provide for its members, a club must limit such free-riding behavior.

While an ideal solution is to internalize the positive externalities arising in club good production, Iannaccone (1992, 1994) explains that doing so is difficult for religious groups because 'the aspects of religious participation (effort, enthusiasm, solidarity, etc.) are intrinsically difficult to monitor and reward' (1994: 1186). He describes how religious groups have developed an alternative solution: require members to undertake easily observable actions that increase the costs of secular activities, thereby reducing the relative cost of religious participation and increasing religious commitment. These actions include various stigmatizing behaviors such as shaving one's head, wearing distinctive robes or caps, abstaining from certain foods or drinks, living in an isolated area, and so on. Because '[p]otential members are forced to choose whether to participate fully or not at all' (1994: 1188), individuals that are more likely to free-ride will select themselves out of the group. In short, the stigmatizing behavior screens out less-committed individuals. Iannaccone and others (e.g., Stark 2005: ch. 4; Mauss 1994) have suggested that Mormon dietary and other behavioral restrictions serve this function.

Iannaccone (1992: 275) acknowledges that stigma-screening is a suboptimal, 'second-best' solution because the stigmatizing behavior can be very costly while not directly contributing to the production of religious goods. A group would thus only resort to stigma-screening if it cannot identify and selectively reward those who contribute to the group. From this perspective, the Mormons provide an instructive case. As described in this article, the Mormon Church does not rely solely on stigma-screening to produce high-quality club goods but instead also attempts

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to identify members' contribution levels and selectively reward high contributors. Instead of offering one club good, the Mormon Church is better understood as implicitly providing a menu of club goods such that the more a member contributes, the more excludable benefits that person receives. The Church's sophisticated administrative structure is used to monitor members and enforce the terms of the menu.

After presenting the basic economic theory of clubs, I describe Mormons' religious inputs and the Church's religious outputs to establish that the Mormon Church is best thought of as a club in the broad sense. I then describe the Church's club good menu and monitoring activities. Finally, I provide an extended discussion on various insights gained from this examination of Mormons. While the menu design does reflect the costs of exclusion of various religious goods, less-committed members are also allowed to consume many goods that could be easily excluded. Thus, although the menu encourages many members to make large contributions, it also implicitly allows a degree of free-riding and membership heterogeneity. This fact contrasts sharply with stigma-screening, which acts to eliminate free-riding and increase group homogeneity, and I argue that these features of the Mormon menu can be understood as an attempt to dynamically increase both overall membership size and the contribution levels of less-committed individuals, two openly acknowledged goals of the Mormon Church. Thus, stigma-screening and menu-monitoring, as well as other practices described in the article, should be understood as complementary methods for meeting diverse religious goals, and, for this reason, these findings have the potential to yield insights into other religious groups' activities.

The Mormon case is an interesting one.[2] Known officially as 'The Church of Jesus Christ of Latter-day Saints' (LDS Church for short), with members known as 'Latter-day Saints' (Mormons is a nickname), it is, according to a *Time* magazine article, 'by far the most numerically successful creed born in American soil and one of the fastest growing anywhere' (Van Biema 1997: 52). Shipps (1985: 65) makes a more poignant claim, i.e., that Mormonism is 'a distinct, discrete, internally consistent religious tradition'. Mormons and their unique version of Christianity[3] were vilified by the American nation throughout the nineteenth century for their practice of polygyny and their commingling of the political, economic, and religious as they colonized the western US (Arrington and Bitton 1992). Yet Mormons now occupy prominent and respected positions across American society, from business (hotel magnate Willard Marriott and oil giant Jon Huntsman) to entertainment (NFL Hall of Fame quarterback Steve Young and, of course, the Osmonds) to politics

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(Senate minority leader Harry Reid (D) and high-ranking Senator Orrin Hatch (R)) to academia (Richard Bushman, Gouverneur Morris Professor of History, Emeritus, at Columbia University). Despite such secular successes and high education rates, Mormons also remain among the most devout religious individuals in the United States (see chapters in Duke 1998; Merrill et al. 2003), and the Church is growing worldwide. Today more than half of the LDS Church membership resides outside of the US.[4]

My analysis deserves comparison with three literatures. The first comprises studies of religious commitment mechanisms, such as Iannaccone's (1992, 1994) work described earlier, as well as Kanter's (1972) more general examination of commitment in nineteenth-century utopian communities. The second literature comprises previous social scientific studies of Mormonism's vitality.[5] For example, in the first modern social scientific studies of the LDS Church, O'Dea (1954, 1957) identified the Church's doctrines and values that emphasize individual self-improvement and perfectibility and its successful development of institutions that contain excessive charisma and religious authority as key to its success; Iannaccone and Miles (1990) and Mauss (1994) identified its ability to maintain 'optimum tension' with its surroundings in the last half of the twentieth century,[6] i.e., by not fully assimilating it retains much of its vitality, but it has assimilated enough so that it is does not deviate too far from the rest of society's norms; more recently, Stark (1998, 2005: ch. 6) listed still other factors, such as its large volunteer missionary force, high fertility rates, and effective socialization of young Mormons. A third related literature is that on the industrial organization of specific religious organizations. Prominent here is the analysis of the medieval Church as an economic firm (e.g., Ekelund et al. 1989, 1992; Davidson 1995; Ekelund et al. 1996; Davidson and Ekelund 1997).

This article differs from earlier work because it examines the menu-monitoring approach used today by the LDS Church to provide religiously affiliated club goods. The focus is on the strategic aspects of club good production instead of for-profit motives. To my knowledge, this is the first article to detail how a specific religious group offers and enforces a menu of club goods, although the idea – though not the language of clubs – would be evident to practicing Mormons and perhaps members of other religious groups. The analysis also draws heavily on game theory – the study of interpersonal decision making where one agent's best action depends on others' actions and reactions. The Church is here viewed as a rational actor that seeks to maximize the quality of the club goods it produces for its members, who are themselves rational

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actors. This rational choice approach takes as given the notion that individuals and institutions, even religious ones, care about the costs (monetary, time, effort, emotion, etc.) and benefits (spiritual, social, etc.) of their actions, and that a religious institution succeeds, in part, by providing incentives that generate desired behavior.[7] This analysis lends insights into the operations of any religious group seeking to overcome free-rider problems, while also being of interest to Mormons curious about social scientific examinations of their Church's ability to meet its members' needs and wants.

2. A Primer on the Economic Theory of Clubs

To understand the key features of a club good,[8] it is perhaps easiest to first consider a simple example: a neighborhood reading club. The benefits of membership are both intellectual and social. Members enjoy time spent together talking about the assigned reading or just catching up on the latest gossip. Friendships are strengthened and ideas about life expanded. But notice that the benefits that person A gets from the club will depend on the time, money, and effort put in by person B, and vice versa. If B does not read the book, does not spend time meditating on its content, or does not bring cookies when she is assigned to do so, then the other members are worse off than if she had done all those things. Person A misses out on the insights B might have shared had B done the reading, and A also misses out on B's famous carrot cake. Similarly, any shirking by A of her responsibilities will diminish the benefits of B's membership.

This example illustrates two key features of club good production. First, production is joint so that multiple members are needed to produce a high-quality club good (a reading club does not work with just one member!). Second, the production process has positive externalities in that one member's benefits increase as the other members contribute more in time and effort.

A third feature is that clubs must adequately overcome the free-rider problem. Free-riders are individuals who want to receive the benefits of a jointly produced good without contributing to the production. To make the notion of free-riding concrete, let us abstract a moment for simplicity and assume that there only two persons, A and B, in the group, and that each person makes a choice either to exert effort or to shirk. If both exert effort, then both receive high benefits of membership. If A exerts effort but B does not, then A receives very low benefits, i.e., she has paid her club dues

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(A) Reading club game

A \ B	Exert effort	Shirk
Exert effort	3	1
Shirk	4	2

(b) Positive direct benefits

A \ B	Exert effort	Shirk
Exert effort	5	3
Shirk	4	2

(c) Excludable benefits

A \ B	Exert effort	Shirk
Exert effort	3	1
Shirk	2	2

(d) Club good menu

A \ B	High effort	Some effort	Shirk
High effort	5	2	0
Some effort	4	3	1
Shirk	2	2	2

Figure 1. Club game matrices

but receives no benefits. If A shirks while B exerts effort, then A receives very high benefits, i.e., A free-rides on B's effort without exerting effort herself. Finally, if both shirk, then both receive low benefits.

Figure 1(a) illustrates A's benefits in a game 'matrix' given the different effort levels of the two persons. The numbers in the cells represent A's

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'payoff' of achieving the outcome corresponding to that cell. A's best outcome (highest payoff) occurs when she free-rides on B's effort, which is depicted in the bottom-left cell; her second best outcome (upper left) is when both exert effort; her third best outcome (bottom right) is when both shirk; and her worst outcome (upper right) in this set of outcomes is when B free-rides on A's contribution. These numbers do not represent anything in and of themselves but instead represent an ordinal ranking of the outcomes. For example, the bottom-left payoff could be 5 or 10 and the ordinal rankings of outcomes would be the same. Numbers are used only to make the example concrete.

Game-theoretic analysis involves looking for each individual's best action. In this (prisoners' dilemma) scenario, A's best action is to shirk. If B exerts effort, then A is better off shirking to obtain payoff 4 than exerting effort to obtain payoff 3; if B shirks, then A is again better off shirking to obtain payoff 2 instead of exerting effort to obtain payoff 0. In game-theoretic terminology, A has a 'dominant strategy' to shirk. By symmetry, the same holds for B, so the game-theoretic solution (here a Nash Equilibrium) is for each to shirk. The incentives to free-ride are too strong.

To succeed, a club must sufficiently overcome this free-rider problem. One way to do this is to convince each club member that her contribution yields direct benefits and not just benefits associated with others' contributions. Reading club members can reinforce this notion by sharing personal accounts of the private enjoyment or private intellectual stimulation of reading the book. Ideally, in doing this, the group could increase the benefits in each upper cell of the matrix so that they exceed the benefits in the cells immediately below them in the matrix, as in Figure 1(b). The result is that any single person will prefer to exert effort irrespective of what others do (contributing is a dominant strategy). Everyone exerting effort is now a game-theoretic solution.

Clubs can also punish free-riders. Sanctions can be quite informal, such as contributors giving free-riders the 'cold shoulder'. Yet one of the strongest punishments available to a voluntary club is excluding benefits from those attempting to free-ride. Figure 1(c) depicts this excludable benefits scenario. If A is excluded from receiving the benefits of others' contributions when she herself does not exert effort, then the only way to receive high benefits is to exert effort. Everyone exerting effort is now a game-theoretic solution: if the other person exerts effort, then my best action is to exert effort, and vice versa. Excludability works to generate a good outcome because potential free-riders are not allowed to ride for free.

Of course, these strategies are not always so easy to achieve in real life. It will be difficult to achieve a scenario like that in Figure 1(b) if the

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contribution entails an unrecoverable cost or if there is no clear ethical reasoning to justify such a cost. Excludability encounters its own problems, as well. For one, it might be difficult to identify shirkers. If B does not contribute much one week, it might be because she is not feeling well and not because she is shirking. On the other hand, even if a shirker can be easily identified, it might be hard to prevent her from receiving some benefits. B might sit outside the window listening to the others in the meeting, or she might show up anyway knowing that nobody will forcibly remove her from the meeting. The members in good standing might have to spend time and effort secretly rotating the club's location or, in an extreme twist, hiring a security guard to police the grounds while the club meets. Thus, exclusion is costly in practice. Effort might have to be expended on monitoring club members to determine whether or not they contribute their prescribed amounts, and resources might have to be spent preventing identified free-riders from consuming club benefits.

A closely related strategy is to provide extra rewards to those who make larger contributions. When some benefits are easier to exclude than others, high contributors can be rewarded with the easy-to-exclude benefits, while low contributors can be excluded from such benefits. If individuals have many possible contribution levels to choose from (e.g., very high effort, medium high effort, high effort, etc.) and only some produced benefits are excludable, then a club can, in effect, offer a menu of club goods like that depicted in Figure 1(d). A well-designed menu would get each individual to contribute more than he or she would under any other menu. With a distribution of preferences over club benefits and outside opportunities, a club that offered a menu would obtain large contributions from those who sufficiently valued the excludable goods and made large contributions in order to obtain them.

In short, a club's success depends on a variety of factors, and the potential to produce a high-quality product does not itself guarantee success. A club is more likely to succeed if contributions also yield direct benefits and if it can identify and punish free-riders at sufficiently low cost. It can also offer a menu of goods of varying excludability to individualize benefits.

3. LDS Church Production as Club Good Production

The LDS Church has a small professional clergy located at Church headquarters in Salt Lake City, Utah. These couple of hundred men, called 'General Authorities', form the highest governing ecclesiastical bodies

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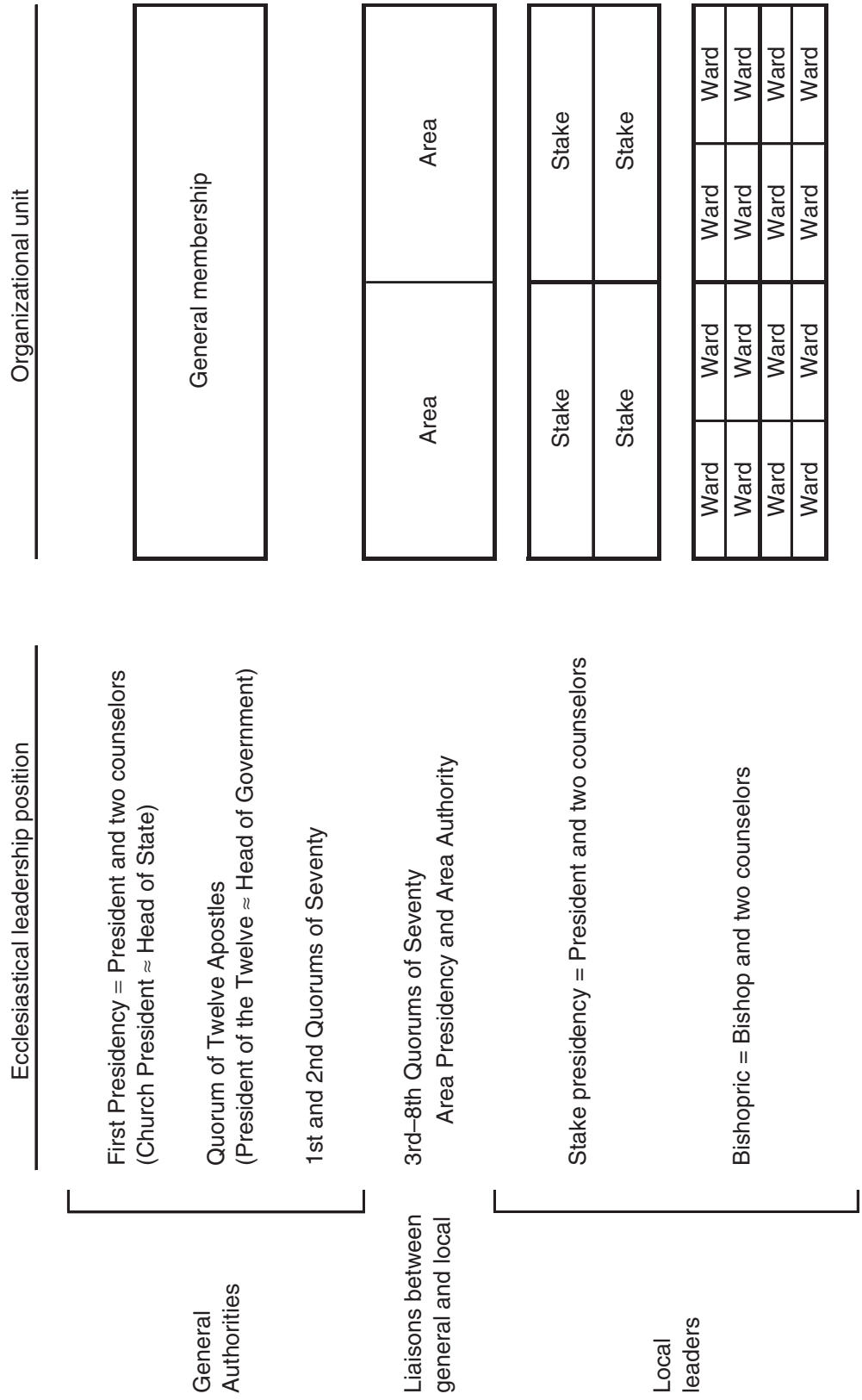

Figure 2. LDS Church leaders and units (ward level and up)

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of the Church. As depicted in Figure 2, their authority is over the general worldwide membership. The general membership is partitioned into a number of smaller 'areas', which are themselves partitioned into 'stakes' (dioceses), which are in turn divided into five or ten 'wards' (parishes), each of 200–800 individual members.[9] Each stake is led by a stake presidency of a stake president and two counselors, and each ward is led by a bishopric of a bishop and two counselors. Stakes and wards comprise the local level, the ward being the basic ecclesiastical unit within the Church. Because the day-to-day activities of Church life for all members (except the few General Authorities) occur within the ward and stake, my analysis focuses on the contributions and benefits related to Church membership at the local level.

LDS Church members contribute to the production of religious benefits in many ways. First and foremost: 'One of the important defining characteristics of The Church of Jesus Christ of Latter-day Saints is lay participation and leadership. The scope of volunteer service in the Church is extensive, both in the number of people involved and in the amount of their service' (Ludlow 1992: 'Lay Participation and Leadership'). All faithful males are ordained to lay priesthood offices, and all local leadership is drawn directly from local membership (Ludlow 1992: 'Organization' and 'Priesthood'). Furthermore, every adult member is also to have an official assignment called a 'calling'[10] (Ludlow 1992: 'Callings'). An individual may spend anywhere from minutes to hours a week in a calling, depending on the specific responsibilities. Some callings include teaching a Sunday School class, supervising youth groups, organizing social activities, visiting members, and visiting non-member investigators. Because all callings are unpaid,[11] they comprise a tremendous collective contribution – up to 600 hours of voluntary labor per week in one ward.[12]

Members also make various informal contributions that are also costly in terms of time and effort. During weekly services, members participate in Sunday School discussions, sing hymns, give sermons, and volunteer personal testimonies of religious conviction. Other contributions occur outside regular Church meetings, such as helping families move into new residences or out of old ones, or providing meals to families with newborn children. More generally, members are asked to help provide comfort to those who need comfort. These contributions of time and effort are matched by monetary contributions. Members are supposed to tithe a full 10% of their income (Ludlow 1992: 'Tithing'), which is commonly, though not officially, interpreted as 10% of gross (pre-tax) income. They are also encouraged to contribute beyond the tithe by making fast

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offerings to be distributed to ward members in need, by helping to fund full-time missionaries, by giving to the humanitarian fund which disperses funds, often through international organizations such as the Red Cross, to people in need throughout the world, and more.

These and all other unnamed inputs, some of which are summarized in Table 1(a), produce a variety of spiritual, social, emotional, and material benefits for Church members (see Table 1(b)). Tithes build and maintain meeting houses as well as fund the bureaucracy that manages the Church's extensive social services.[13] The Church also owns and operates a publishing company that produces and distributes reading and teaching materials used in all Church-related classes. The most obvious benefits for believing members are those tied to the Church's role in providing services related to salvation. The LDS Church, like the Roman Catholic Church, claims unique authority, called Priesthood, to administer the ordinances necessary for the highest degree of salvation (Ludlow 1992: 'Priesthood'). Because ordinances are administered voluntarily by local lay clergy, they depend directly on other members' contributions. On a more mundane level, members receive help in moving to a new home or organizing a funeral. They also receive friendly home visits, a feeling of security that other members are ready to help, and a sense of belonging to an institution with purpose. Religious rituals that link members with deity are conducted by lay members (Ludlow 1992: 'Administration of Ordinance'), and personal connections with those performing the rituals can enhance the experience. Serving in a leadership position, which is reserved in most cases for men because only men are ordained to Priesthood offices (Ludlow 1992: 'Priesthood Offices'), can be a source of self-worth even though these callings entail great sacrifices because such positions are held in esteem.

Because these benefits of membership are socially produced largely by volunteers, the production process is susceptible to free-riding. For this reason, it is appropriate to think of many of the benefits produced by the LDS Church as club goods, and, hence, to examine how the Church deals with free-riders in order to understand its success. This is not to say that every output of the LDS Church is best thought of as a club good; for example, the LDS Church donates large sums of unconditional humanitarian aid to non-Mormons throughout the world. Nor is it a claim that the LDS Church is a club just like other social or recreational clubs; the generating of religious conviction certainly makes the LDS Church more than just a social club. My claim is merely that the LDS Church, as an institution operating in the world, faces pressures similar to those faced by other groups engaged in some form of social

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Table 1. Examples of LDS contributions and socially produced benefits

(a) Contributions

Type	*Examples*
Formal callings	Bishoprics, stake presidencies, Relief Society presidencies, Priesthood quorum presidencies, Sunday School presidencies, other auxiliary organization leadership positions, Sunday School teachers, Primary organization teachers, youth advisors, home teachers, visiting teachers, activities planners, full-time missionaries, greeters, pianist, organist, music director.
Activities not related directly to callings	Administer ritual ordinances, sing hymns, participate in Sunday School classes, give sermon when asked, volunteer personal testimony of religious conviction, help family move to new residence, provide meals for family with newborn, help organize funeral, participate in weekday social events, fellowship non-member investigators and newly active members.
Monetary	Tithing, fast offerings, missionary fund, humanitarian fund, other local events.

(b) Socially produced benefits

Distribution	*Easy-to-exclude examples*	*Difficult-to-exclude examples*
Not excluded in practice	Non-saving ritual ordinances, receiving home teaching visits, receiving visiting teacher visits, help with moving to new residence, emotional support from Church members.	Increased religious conviction, enjoyment from attending worship meetings, use of Church-produced materials, enjoyment from non-worship social activities.
Moderately excluded in practice	Basic ritual ordinances of salvation, access to other ordinances such as the sacrament, access to certain social services, ordination to Priesthood for males, certain callings of respect.	
Highly excluded in practice	Access to certain social services, access to temples and temple rituals, highly respected callings	

production for its members. It is the production of those socially produced benefits that constitutes my focus.

Viewing the LDS Church as a club differs from viewing it as a profit-maximizing firm.[14] The Church owns various for-profit businesses, most notably in telecommunications and printing. Ostling and Ostling (1999: 124) report: 'If the Church were a U.S. corporation, by revenues it would rank number 243 on the Fortune 500 list.' However, most of its assets, such

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as buildings, consume more revenue than they generate, and most income is used to pay for expensive building construction and maintenance, education, missionary, and other programs of a religious nature with little balance carried from year to year (Ostling and Ostling 1999: 125). Moreover, the few General Authorities that are supported financially by the Church receive only modest stipends. All tithing and other revenues go to Church headquarters and are then dispersed back out to local congregations according to budgetary guidelines (Ludlow 1992: 'Tithing'), thereby limiting the ability of leaders to benefit financially from their positions. These facts distinguish today's LDS Church from, say, the medieval Church that had larger for-profit operations. As Ekelund et al. (1996: 29–30) report: 'Tithes paid by parishioners [in the medieval Church] contributed a small fraction of corporate Church revenue but represented the major portion of a local priest's income', which could lead local priests to act to increase their incomes. The opposite holds in today's LDS Church, in which roughly 90% of revenues come from tithes and offerings and only 10% from for-profit endeavors (Ostling and Ostling 1999), and in which local leaders receive no income from their Church callings. Thus, it is appropriate to think of the LDS Church as a club rather than a profit-maximizing firm.

This club view is not just an economic interpretation of the LDS Church's organizational structure and activities; it is also consistent with one of the Church's self-described missions to 'perfect the Saints [members]' (Ludlow 1992: 'Organization'). 'It is the intent of the Church to provide multiple opportunities for its members to serve in formal organizational roles and to perform Christian service' (Ludlow 1992: 'Organization'). Put differently, salvation, though individualized in LDS thought (see below), is also social in the sense that cooperative efforts and social interactions provide the framework and opportunities in which individuals perfect themselves and each other. Lay leadership, callings, and voluntary service are a means of providing members with direct opportunities to achieve this end. In effect, 'perfecting the Saints' is social production, and although Mormons might cringe when they first hear their Church labeled as a club, it is, in the economics sense of the term, an accurate description of the LDS Church's self-described religious mission.

4. How the LDS Church Reduces Free-riding

Prior Explanations

Prior research has identified a number of factors that decrease religious free-riding in the LDS Church. As described in Section 2, one approach

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is to convince members that exerting high effort yields large direct benefits, and as early as 1957 (O'Dea) observers of Mormonism noted that its unique doctrines inspire high religious effort.[15] LDS doctrine teaches that there are various levels of salvation. While a basic degree of salvation is achieved by virtue of Jesus Christ's atoning sacrifice, achieving a higher degree of salvation requires an individual to receive the ordinances of the LDS Church and to exert effort in living a Godly life and advancing the cause of righteousness (Ludlow 1992: 'Salvation').[16] Evidence indicates that a large percentage of Mormons believe their Church's teachings and that their beliefs increase their religious commitment (e.g., Holman and Harding 1996; Cornwall 1998; Harris 2003).

The Church supplements these doctrinal teachings with religious and social activities that work dynamically to increase members' efforts. Iannaccone (1990) explains that past participation in a religious group familiarizes (socializes) an individual with the ritual, doctrine, language, etc. of the group, thereby increasing the value of participation in the present. In short, today's utility from religious consumption of a faith tradition is increasing in the individual's 'religious capital' tied to that faith tradition. Stark (2005: ch. 6) identifies many of the LDS Church's activities as producing this religious capital.

Iannaccone (1992, 1994) explains how strict behavioral standards screen out low-commitment types from joining or participating, and the LDS Church promotes many strict behavioral standards that serve this function (Mauss 1994). LDS members are to abstain from alcohol, tobacco, coffee, tea, and other harmful (e.g., illicit) drugs (Ludlow 1992: 'Word of Wisdom'), as well as sexual relations outside marriage (Ludlow 1992: 'Chastity, Law of'). Potential converts must show evidence of a commitment to abide by these precepts before they are allowed to officially join the Church. To the extent that these laws discourage low-commitment types from joining or from staying in the Church, the LDS population will consist of high-commitment types.

These prior explanations help us to understand Mormon commitment levels. However, they overlook the manner in which benefits are distributed to members, and I argue here that the manner of distribution comprises yet another method of confronting the free-rider problem. In particular, as a complement to the above mechanisms, the LDS Church has developed another two-part approach to overcoming the free-rider problem. It offers a menu of club goods of varying degrees of excludability, and it actively monitors its members.

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The Mormon Menu

Observe that the benefits produced by the LDS Church, as categorized in Table 1(b), are excluded in practice to varying degrees. Many benefits produced by the LDS Church are not excludable in any practical sense (right column in Table 1(b)). Attendance at Sunday or other worship services and various social activities is open to perfectly identified free-riders as well as non-members. Some benefits, such as home visits and certain acts of Christian service, are, in principle, excludable to a limited degree, yet the LDS Church essentially offers these benefits to all members, even low contributing members (top left). Some benefits are excludable in practice. Although exceptions are not uncommon, only those who actively contribute and comply with behavioral codes or rules to some degree are generally granted access to the Church's welfare, family, and employment services. One of the most excludable benefits according to official LDS policy is access to the temple. Unlike regular Church buildings, temples are used only for the most special LDS rites, and only members who comply with all behavioral codes or rules can enter (Ludlow 1992: 'Temple Recommend' and 'Temples').

The Church can also officially deny benefits (Ludlow 1992: 'Disciplinary Procedures'). Its harshest punishment is excommunication, which denies access to temples and all welfare services and voids the efficacy of that individual's baptism. This punishment is reserved only for the most serious offenses. A lesser and usually temporary punishment, disfellowshipment, involves all of the above sanctions except the individual's membership remains intact. Still lesser punishments include the denial of particular benefits, such as partaking of the sacrament or accessing the temple. Violation of the Word of Wisdom and the law of tithing do not merit the harshest punishments but instead lead to selective punishment, such as the inability to enter the temple.

It is important to note that there are varying levels of benefits that can be received depending on the individual's contribution level. One individual might never pay tithing, never accept a calling, violate the Word of Wisdom, and thus never attend a temple, and yet still retain membership, attend Sunday services, and enjoy friendly home visits. This person is denied some excludable benefits but still consumes other benefits. Another individual might observe all rules, fulfill all callings, attend all meetings, and therefore be able to access all available Church benefits. Because all of these benefits should be understood as club goods, the Church should really be understood as offering a menu of club goods[17] instead of just one club good. The highest contributors gain access to all possible benefits,

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while those who make little or no contribution receive fewer benefits. This menu reduces free-riding because certain benefits can be excluded from potential free-riders and distributed to those who have made sufficiently large contributions in time, effort, and money.

To be clear, this is not a strictly defined tier-system of benefits, although the categorization in Table 1(b) may unintentionally lead to this conclusion. In practice, the dispersal of excludable benefits depends to a degree on the decisions of the local leadership, and variation in personality or leadership style across bishops can thus lead to variation in the dispersal of many benefits. That said, the bishop's discretion for certain actions does fall within certain guidelines outlined in Church leadership handbooks so that in practice there will be only minor variations in the dispersal of benefits. Thus, local leaders are given limited flexibility to disperse the benefits on the menu.

It is also worth noting the similarities and differences between this menu design and two commitment mechanisms identified by Kanter (1972) in her study of nineteenth-century utopian communes. The first concerns sanctions imposed on individuals whose behavior deviates from group standards. As described above, the LDS Church can and does impose direct sanctions; however, the harshest sanctions (e.g., excommunication) are used infrequently. Instead, the selective removal of benefits, such as the denial of temple access, is more common. A second mechanism is what Kanter calls 'spiritual differentiation', a process by which members are distinguished, either informally or formally, on the basis of their compliance with group standards. The menu is clearly designed to make such differentiation, although the differentiation is not public. For example, whether or not an individual is denied access to a temple is usually only known by the local leaders and not the entire congregation. Also, it is true that local Church leaders are held in special esteem and higher respect than non-leaders, yet the respect is tied more to the office than the person since local leadership callings are rotated frequently among regular members. Thus, sanctions and spiritual differentiation generally occur more privately in the LDS Church than in Kanter's study.

The Mormon Monitoring Institutions

Given this menu design, the ability to follow through on the rewards and punishments on the menu depends on the Church's ability to identify members' contribution levels and misbehavior. Recognizing this, the LDS Church directs a tremendous amount of its human resources

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toward monitoring members. Home and visiting teachers are a primary means by which members are monitored (Ludlow 1992: 'Home Teaching'). A home or visiting teacher is to visit each family once a month, assess the needs of those families, and then report to Church leaders on those families' statuses. As recent Church President Ezra Taft Benson (1987) said in a famous sermon on the topic, 'home teaching is not just another program. It is the priesthood way of watching over the Saints and accomplishing the mission of the Church.' Church members are also regularly interviewed by Church leaders (Ludlow 1992: 'Interviews'). Home and visiting teachers are interviewed to assess their efforts, individuals are interviewed and asked about their personal behavior when given new callings, each family is interviewed by its bishop annually to review its tithing contributions (Ludlow 1992: 'Tithing Settlement'), and each adult is privately interviewed by a bishopric member biennially to assess his or her worthiness to enter the temple. Finally, Church leaders collect and maintain Church records that serve monitoring functions. They collect and record home teaching statistics so that they know which families have and have not been visited, and they track tithing and other contribution receipts. Some attendance records contain only a sum of attendees, while others record the specific names of those who attend.

These monitoring practices serve not just as a means to observe members' activity levels but also as the initial step in directing Church resources to those whose activity levels are declining. Since its beginning, the Church has used local councils to synthesize information about its members and direct collective efforts toward meeting the emotional and physical needs of struggling members, monitoring the activities of local leaders, and planning social events (Ludlow 1992: 'Priesthood Councils').

Of course, it is difficult to precisely measure the effectiveness of these monitoring activities. Perfect monitoring is impossible. Much behavior is not observable, and individuals can misrepresent their compliance with the law or tithing or other behavioral codes. As in other groups, there are higher-order collective action problems that the organization must resolve to ensure that the monitors do their jobs (Hechter 1987). Not surprisingly, actual monitoring often falls short of the ideal described above; for example, rarely are 100% of the families in a ward visited by home teachers during any particular month, and less than 50% of families visited per month is not uncommon. Successful implementation of procedures depends on the oversight of leaders, which implies that the quality of the monitoring activities varies within a ward over time as the lay leadership turns over, across wards in a given point in

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time due to variation in leadership characteristics, and across regions at a given point in time due to variation in monitoring costs.

Nonetheless, the higher-order collective action problems are mitigated to a degree. Information from the various monitoring activities does pass through proper channels, Church leaders continually assess the success of their activities, and local leaders are usually called to their positions because they have demonstrated their commitment. The Church's policy concerning ward sizes also helps. Wards, which are defined according to geographical boundaries, are split once their memberships become large. Keeping wards small fosters repeated interaction through various Church-related activities and improves monitoring. Hence, the monitoring mechanisms, though imperfect, act as an important institutional means by which the LDS Church identifies free-riders, thereby determining who receives the most excludable religious benefits.

Mormons' Perceptions of the Menu and the Monitoring

It is interesting to note that these monitoring activities are openly accepted by many Mormons. Of course, if they believed that the monitoring activities were crucial to the identification and exclusion of free-riders, then they would welcome them from a purely economic, mechanism design perspective. This may be partly the case, but the idea goes deeper. Many Mormons accept the monitoring because they believe Church policies have divine origins. LDS doctrine posits that Church leaders receive divine inspiration when choosing policies and designing programs (Ludlow 1992: 'Inspiration'). Because its monitoring activities are viewed as divinely inspired, the Church can openly promote and conduct them.

Many Mormons also accept the notion of a club good menu, although the idea is never put in those terms. Because the LDS doctrine of salvation allows for gradation based on individual effort, it is easy for Mormons to think of access to Church benefits as also being based on individual effort. However, the acceptance of a club good menu is more direct, particularly with respect to access to the temple. In fact, access to temples and temple ordinances can be thought of as the ultimate club good on the LDS Church's menu of club goods.[18] It is commonly understood and taught that only the most upstanding are allowed to enter a temple, and that the highest spiritual blessings and ordinances offered by the Church – those associated with the LDS doctrine of eternal marriage and families – can only be accessed there (Ludlow 1992: 'Temples,' 'Temple Ordinances', 'Family', 'Teachings about the Family'). Temple-attending

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Mormons have even been referred to as 'a church within the church' (e.g., Davies 2000: 4). Members understand the club good nature of temple benefits because the quality of an individual's temple experience is believed to depend on the level of righteousness of the others inside. Thus, the highest religious benefits on the menu require the largest individual contributions.

As if in recognition of the role that excludable temple benefits play in increasing members' contributions, there has been over the last half century an increased emphasis on the importance of temple worship (Mauss 1994). In the words of previous Church President Howard W. Hunter (1994): 'All of our efforts … lead to the holy temple. … Let us make the temple, with temple worship and temple covenants and temple marriage, our ultimate earthly goal and the supreme mortal experience.' Current Church President Hinckley has more recently begun the largest expansion of temple building in LDS Church history.[19] It appears that, at least in the near future, the largest benefits available on the LDS Church's club good menu will continue to be associated with the temple.

5. Discussion

Many features of the LDS Church's menu-monitoring approach, some of which may also apply to other religious groups, stand out. A key aspect of the LDS religious menu is that, in practice, the Church does not exclude from low contributors those benefits that are difficult (costly) to exclude, and the goods it does exclude are less costly (easy) to exclude. In Table 1(b) every good that is in the difficult-to-exclude column is also in the not-excluded row, while those goods that are in the excluded (middle and bottom) rows are also in the easy-to-exclude column. This observation is consistent with the notion that a rational organization will, in designing its menu, exclude those goods that are easiest to exclude, all else being equal.

Also note that, of those goods excluded in practice, the most frequently consumed benefits are those tied directly to salvation, such as ordinances and temple participation. Although this fact does not necessarily imply that the most compelling benefits for high-contributing LDS members are those related directly to salvation (as opposed to social insurance), such a conclusion would be consistent with many Mormons' self-described motivations. Elder Boyd K. Packer (1986) of the Quorum of Twelve Apostles said, 'True doctrine, understood, changes attitudes and behavior. The study of the doctrines of the Gospel

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will improve behavior quicker than a study of behavior will improve behavior.' Research on the determinants of Mormons' religious behavior provides supporting evidence that beliefs affect behavior. Cornwall (1998), for example, shows that a large percentage of Mormons believe in their Church's teachings, and that their strong beliefs increase their contributions to the Church. Viewed in this manner, the Church's practice of excluding certain highly valued salvation-related benefits, such as temple access, is quite rational since those that believe strongly in the doctrines will be willing to make very large contributions to the Church to receive those benefits.

Surprisingly, the LDS Church does not exclude many goods that it could easily exclude. Indeed, some of these goods, listed in the upper left cell of Table 1(b), can even be understood as private goods (rivalrous and excludable): for example, helping others move, receiving home and visiting teacher visits, and receiving other emotional support from fellow members. This fact is not consistent with the simple notion that easy-to-exclude goods should be given only to high contributors, especially when it is recognized that many of those goods require tremendous human resources to provide. Why does the Church not exclude these costly goods? One explanation relates to the notion of religious capital described in Section 4. Many of those private goods foster and promote the sense of community for which Mormons are so well known. These activities build strong ties among fellow ward members, thereby increasing the religious capital of low contributors who receive those benefits. Over time, as free-riders are exposed to the menu of club goods, their valuation of those benefits can increase as they accumulate religious capital. In this manner, the efforts of high contributors lead to increased conviction among the low contributors. Because religious capital is tied directly to belief and contributions, the Church is willing to use large resources to produce it. Testing this hypothesis directly is difficult, yet there is some supporting evidence. Over 40% of LDS in the USA experience a period of inactivity at some point in their lives and then resume their religious involvement (Ludlow 1992: 'Vital Statistics'). Not excluding some easy-to-exclude benefits can be understood as a rational decision on the part of the Church to generate religious capital, which, in turn, will increase future contributions.

A closely related feature of the LDS Church's strategy is that the very offering of a menu implicitly allows a degree of free-riding. Because the Church offers various goods to a member based on her level of commitment, any variation in conviction, religious capital, outside economic opportunities, etc. among members who weigh up the costs and benefits

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of their actions will result in observable variation in religiosity within the LDS Church. Thus, from a rational choice point of view, understanding that the Church offers a menu of club goods not only explains this variation in religiosity within the LDS Church, but also implies that it is a direct result of the LDS Church's menu strategy. This logic does not imply that the Church prefers variation in religiosity to every member being highly committed. The menu should instead be understood from a game-theoretic point of view as a way to obtain higher contribution levels from members than could be obtained if there was no menu, holding their preferences and constraints constant. Not surprisingly, there is variation in compliance with prescribed standards within the LDS Church. For example, in the USA roughly half of self-identified Mormons do not attend Church weekly (Ludlow 1992: 'Activity in the Church'). Yet, these 'less-active' members can still receive many Church benefits. In fact, not only do the LDS Church's programs, by their very design, allow room for such limited free-riding, but these members are welcomed, and locally contributed resources are often directed toward them. For example, home teachers are frequently encouraged to make visiting less-active members their priority.

Why are these free-riders welcomed? Embracing the less-committed can be understood as part of the Church's religious mission to help individuals increase their commitment, yet, as described above, it can also be understood strategically as a rational way to generate religious capital. Because the less-committed will generally have some religious capital, focusing Church efforts on them can more effectively generate highly committed members than focusing solely on non-member investigators. It is not surprising, therefore, once such members are identified via monitoring, that local leaders direct efforts toward those individuals to strengthen their Church ties and encourage higher commitment. Thus, while the Church does not encourage free-riding *per se*, it openly allows low-commitment members to free-ride to a limited extent (they are still excluded from some benefits) in the hope that they will become high contributors.

This observation raises a more fundamental issue about what constitutes religious free-riding. It is inappropriate to refer to a member as a free-rider if there is a good chance that she will become a high contributor in the future even though the benefits she receives today far exceed her current contributions. Her current behavior is free-riding if narrowly viewed only in the present but is not free-riding if viewed more completely in the dynamic setting. This logic suggests a distinction between individuals who are potential high contributors and those who might appropriately be called free-riders who are not perceived as future contributors.

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The menu design also allows a degree of heterogeneity in Church membership. Having a degree of heterogeneity is crucial for the Church to achieve its expansionist goals as well as to promote its emphasis on family togetherness. Most new-member recruitment occurs within strong ties which are relatively homogeneous, but reaching outside those ties into a more heterogeneous population is crucial for continued growth once strong ties have been exhausted (Iannaccone and Stark 2005). Allowing a degree of heterogeneity facilitates growth into new groups, thus fostering continued membership growth. Moreover, the Church also promotes the importance of the family, both as a matter of doctrine and as the practice of religion,[20] and many religious goods are jointly consumed by various family members. For example, one parent or child may enjoy Church meetings more when the other parent also attends, or a parent may enjoy the meetings more if the child also attends. Although families tend to be fairly homogeneous, allowing for a degree of heterogeneity can foster intra-family consumption in those families with family members of varying commitment. I emphasize that this is only a limited degree of allowed heterogeneity because some goods can still be excluded from one family member but not from another, as consistent with the menu. That Mormons are not usually referred to as heterogeneous is suggestive of how limited the heterogeneity is in reality. However, even a small degree of allowed heterogeneity can foster intra-family consumption of basic religious benefits like those associated with Church meetings. Retaining a potentially heterogeneous rising generation may also require the allowance of at least some heterogeneity.

These insights also explain why the LDS Church uses the menu-monitoring strategy in addition to, and not instead of, the stigma-screening approach. Stigmatizing standards screen out less-committed individuals and foster homogeneity, two features which cultivate intra-group cooperation. 'The seductive middle ground is eliminated, and, paradoxically, those who remain find that their welfare has been increased' (Iannaccone 1994: 1188). Taken to the extreme, however, stigma-screening can limit the ability of the Church to gain new converts and foster intra-family consumption. It is also inherently inefficient because it limits the secular success of Church members even though some forms of secular success such as income, prestige, and influence can actually benefit the group. Relying solely on the stigma-screening method to limit free-riding can create a group that is too socially isolated and homogenous, and supplementing stigma-screening with the menu-monitoring approach allows for other, more outward-oriented goals to be achieved. Allowing some free-riders and heterogeneity provides opportunities for religious capital formation in potential high contributors.

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Why does the Church stigma-screen at all? One possible reason relates to religious capital formation. Because the production of religious capital in low-contributing members is a costly and risky investment from the Church's point of view, stigma-screening may be a way to identify individuals for whom the investment is less costly and less risky. If true, potential converts considering membership who are not dissuaded by the stigmatizing behavioral requirements will yield a higher expected return from the use of Church resources. A second reason relates to the Church's lay organization. Local lay leaders are entrusted with many responsibilities, and members who are willing to make many sacrifices, such as semi-unproductive ones associated with stigma-screening, may also be more likely to comply with established Church procedures once placed in a leadership position. Thus, from an organizational perspective, stigma-screening may help identify which members can be trusted with high positions within the hierarchy. In short, stigma-screening and menu-monitoring are complementary because they foster the production of religious goods through different channels.

This analysis should lend insights into the incidence of religious free-riding in other denominations. A religious group can obtain high contributions from members by offering excludable benefits to high contributors, although for such a menu to work the group may have to mobilize resources to monitor its members. Completely eliminating free-riding need not be a religious group's operational imperative because low-commitment individuals comprise a stock of potential high committers. Thus, even large hierarchical denominations can curb the free-rider problem by appropriate design of their institutions and policies. The LDS Church – the fourth largest religious body in the USA behind the Catholic Church, the Southern Baptist Convention, and the United Methodist Church, respectively (Lindner 2005) – succeeds despite its size because it has developed local-level mechanisms to foster commitment. This high commitment generates high-quality religious club goods, and this may partially explain the phenomenal growth the LDS Church has experienced in recent decades.

Because the modern LDS Church is now a well-established religious denomination with a highly organized administrative structure, it might at first appear that the above lessons will not apply directly to new religious movements (NRMs). This assertion is only partly true. Many of the LDS Church's monitoring practices have evolved over time so that they are now well regulated, with standardized policies and handbooks for many different leaders at the local level. While an NRM will most certainly lack this degree of sophistication in its monitoring practices, it can use other

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monitoring practices as substitutes, such as fostering highly integrated informal social networks. This can be done, for example, by encouraging communal life, which, coincidently, the LDS Church did to varying degrees in earlier years before the growth of its modern administrative structure. More importantly, an NRM should use the graded exclusion of benefits to allow a degree of free-riding while at the same time encouraging commitment. Doing so is necessary in groups where potential recruits must first form group-specific religious capital before joining.

A bigger difference is likely to exist between religious clubs and other volunteer organizations. Though the free-rider problem exists in many types of volunteer organizations other than strictly defined clubs, the excludable nature of club goods makes the graded exclusion of benefits a viable strategy to combat free-riding. Voluntary organizations whose primary focus is the provision of, say, public goods will have difficulty encouraging the high commitment observed in religious groups because their primary goods cannot be excluded from free-riders. Unless they also produce club goods, they must resort to other means to encourage contributions. Another difference is that a religious group not only supplies excludable goods but also produces, to an extent, the very demand for those goods. In the LDS Church, the most commonly consumed of the highly excludable goods are spiritual and uniquely LDS, including those benefits associated with LDS temples. These benefits provide the highest incentives for the most committed LDS, and the demand for these benefits depends, among other things, on the high levels of religious capital produced by the Church. Voluntary organizations are not engaged in such simultaneous production of supply and demand, and so their allowance of free-riders might be less strategic than in religious clubs.

A final comment relates to the excludability of benefits based on race and sex. Aside from a few early exceptions, until 1978 men of African descent were not allowed to hold Priesthood and black men and women could not receive the highest temple benefits. This exclusion is likely one cause of low LDS membership growth among those of African descent until 1978, and we would expect an increase in membership growth in this population after these benefits were made available. Membership growth among African Americans in the United States is higher than before but apparently still low, possibly due to lingering feelings regarding the old policy, but growth among Africans (in Africa) and African-descended populations in South America is very high (Mauss 2003). Though women have always received full temple benefits, they have never been allowed to hold the Priesthood or serve in Priesthood leadership positions. With any benefits of Priesthood service excluded from women, a simple

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prediction would be that LDS women free-ride more than LDS men. However, we do not observe this in the LDS Church, which has fairly equal gender ratios (Ludlow 1992: 'Vital Statistics') and, on average, higher religiosity among women than men (Duke and Johnson 1997). This may be due to the higher overall religiosity among women than men in general or to the possible presence of women-specific Church benefits in the Church (e.g., the role of mother is praised in official rhetoric), or because women receive benefits associated with the many Church callings they can hold, some of which are reserved exclusively for women. Still another possible factor is that since the 1980s the Church has affirmed more roles for women in the Church and in secular life (Iannaccone and Miles 1990). A future study should examine the issue of categorical exclusion more closely to assess the merits of these possibilities.[21]

To summarize, the LDS Church succeeds in providing high benefits to its members in part because through both policy and practices it offers and enforces a menu of club goods. It has developed a sophisticated institutional structure by which its members monitor each other, and it promotes particular benefits that can be easily excluded from members who do not comply with all Church standards. LDS doctrines openly sustain these institutional arrangements, so Church members are fully aware of institutional intentions. Moreover, the menu allows partial free-riding by low-commitment members to facilitate religious capital formation, thereby turning them into highly committed members. In short, the operational methods of the LDS Church, although they have clearly stated religious intentions, can be understood as a rational way to generate high commitment.

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NOTES

1. Economists' notion of a club differs from sociologists' notion of a 'voluntary organization' (Krysan and D'Antonio 1992) in that a club specializes in excludable club goods whereas a voluntary organization might or might not specialize in a club good. It also

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differs from sociologists' 'social movement' concept (Benford 1992) for the same reason and the additional reason that a club need not have any agenda to promote or resist social change.

2. See Ostling and Ostling (1999) and Arrington and Bitton (1992) for book-length introductions to LDS Church history and practice. Written by two non-LDS journalists, the first book focuses more on modern organizational and social practices and issues than the second book, which was written by two LDS historians of Mormonism and intended to provide non-LDS members with a short but detailed introduction to LDS history.
3. Some individuals argue that Mormonism is not part of Christianity because of its unique scripture, theology, and practices. They frequently refer to the LDS Church as a cult, a term which has fallen upon mixed use by social scientists because of its pejorative connotations in popular use. Though LDS do not think of themselves as part of modern Christendom, they do view their Church and their beliefs about Jesus Christ as a restoration of original Christianity and therefore consider themselves Christian.
4. The LDS Church maintains detailed membership statistics, some of which it publishes. Some key facts and figures can be obtained from the official Church website at www.lds.org.
5. See Mauss (2001) for a perspective on the broader literature and Mauss and Reynolds (2000) for a comprehensive bibliography.
6. Alexander (1996) details the general transition from vilified group to accepted denomination in the US in the first decades of the twentieth century. Flake (2004) identifies this transition specifically with the US Senate hearings to determine if the elected candidate Reed Smoot could take his seat in Congress. Mauss (1994) charts the trends more generally and describes a reversal of the assimilation trend in the second half of the twentieth century. Iannaccone and Miles (1990) focus more specifically on changing roles for women in the Church.
7. See Stark and Finke (2000) for a comprehensive presentation of this rational choice approach to religion.
8. For a detailed presentation of the theory of clubs and club goods, see Cornes and Sandler (1996).
9. Areas actually serve limited ecclesiastical functions. Area presidents and authorities serve primarily as liaisons between stake presidents and General Authorities. The general membership of over 12 million is divided into over 10,000 wards and branches (small wards). These wards are grouped into over a thousand stakes, with stakes grouped into roughly twenty areas.
10. The term 'calling' reflects the belief that the assignment comes from God through the Church leader who issues the assignment.
11. Some individuals work full time for the LDS Church. Yet, except for General Authorities, all full-time employees, such as those who work in an extensive social service bureaucracy, still have callings in their local wards. The salaried positions are considered equivalent to jobs within secular institutions in the sense that having such a job does not absolve one from fulfilling a calling in one's local ward.
12. Stark (2005: ch. 4) credits a paper presented by James T. Duke for this estimate.
13. Information about these services can be read on official LDS Church websites (www.lds.org and www.providentliving.org) and in Ludlow (1992). For a historical perspective, see Mangum and Blumell (1993). These social services include regional

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employment centers that provide job training and help in finding new jobs, family services that place adopted children in LDS homes and provide marital or other psychological counseling, and education services that provide LDS religious courses to high school and college-age students.

14. Profit motives should also be distinguished from corporate structure and use of secular management practices, which began in the LDS Church as early as 1907 but increased dramatically in scale and scope in the 1960s as the Church became international (Ludlow 1992: 'Correlation of the Church'; Prince and Wright 2005: ch. 7).
15. While many ideas can be understood to be official doctrines, the LDS Church does not have official theologians or any official comprehensive statement of LDS beliefs (Mauss 1996). Thus, many speculative ideas circulate as LDS doctrines that in fact do not have status as official doctrines even though they may be believed by many Mormons (Crapo 1987). When I refer to LDS teachings, I refer to basic doctrines supported in official texts. I draw largely from the *Encyclopedia of Mormonism* edited by Daniel Ludlow (1992) because it was produced with the direct help of the LDS Church, although technically it does not have the status of an official text. I also use the statements or writings of high-ranking Church leaders.
16. Mechanisms are in place for all individuals to achieve the highest salvation even if they do not embrace the LDS Church and version of the Gospel in their mortal life. For example, individuals, once they die, are to have the opportunity to accept or reject the Gospel teachings and Church ordinances (Ludlow 1992: 'Salvation for the Dead').
17. Note that offering a menu of club goods differs from price discrimination. The Church is not offering a single product at different prices to different consumers, nor is it offering a single product at a single price to consumers for whom the costs of production differ. Instead, the Church offers a menu of products, each of which has an associated behavioral cost, such that the closer an individual's behavior matches the prescribed behavior, the more benefits that individual receives. Because these benefits are socially produced, they are also susceptible to free-riding, which would not be the case with price discrimination of goods produced privately by firms.
18. Klick (2006) mentions as a side note that the temple access requirements constitute a peripheral characteristic that provides an incentive for some Mormons to contribute instead of free-ride. To the contrary, I suggest that temple access is a primary feature on the LDS menu of club goods.
19. See the LDS Church's official temples website http://www.lds.org/temples/home/0,11273,1896–1,00.html for general information about LDS temples. When Pres. Hinckley began his tenure as president in 1995, there were only 47 operating temples, built over the prior century and a half, but the Church had 123 operating temples with 11 more announced as of September 2006.
20. For the LDS Church's official stance on families, see 'The Family: A Proclamation to the World', which can be viewed online at the Church's website (http://www.lds.org/library/display/0,4945,161–1-11–1,00.html).
21. These categorical exclusions are interesting from a theoretical point of view because on the surface it appears that they would inhibit the commitment of those who fall into the excluded categories. Future theoretical work is needed to examine how these exclusions might serve the interests of the Church.

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