

CHAPTER Bg

Nonprofit, Voluntary, and Religious Entities

Editor: Peter Dobkin Hall

NONPROFIT, VOLUNTARY, AND RELIGIOUS ENTITIES

Peter Dobkin Hall with Colin B. Burke

The purpose of this essay is to review and rationalize the assumptions governing the definition of the entities and activities covered by this chapter, to touch on some of the difficulties inherent in certain kinds of historical data, and to suggest guidelines for the future collection of data on the domain of voluntary, nonprofit, and religious enterprises.

In undertaking the unprecedented effort to conceptualize and assemble data for this chapter, the editors in chief of the Millennial Edition were well aware of the often contested and always ambiguous nature of most of the fundamental issues and institutions to be covered, as well as the fragmentary and discontinuous quality of many of the data sets. We warned them that, under these circumstances, we would not be able to produce a definitive set of historical statistics. The best we could expect to achieve would be to gather and evaluate existing statistics and to convene the major scholarly and institutional stakeholders in these data in order to identify gaps and strive for consensus about definitions, with the hope that these efforts would lead in coming years to more adequate data collection efforts.

The data in the chapter document several major types of nonproprietary entities and activities, including the following.

“Traditional” voluntary associations: incorporated or unincorporated membership organizations supported by dues, sales of goods and services, donations, or bequests. These include both charitable/public benefit entities (for example, the scouts) and noncharitable/mutual benefit entities (for example, trade associations, cooperatives, and fraternal orders).

Charitable trusts: funds placed in trust for charitable, educational, and religious purposes. They may be freestanding unincorporated entities, embedded in charitable corporations, or administered by commercial enterprises, such as banks and financial services companies.

Acknowledgments

The research on which this chapter is based has been generously supported by the AAFRC Trust for Philanthropy; the Aspen Institute’s Nonprofit Sector Research Fund; the Ford Foundation; the Lilly Endowment, Inc.; the Institution for Social and Policy Studies, Yale University; and the Hauser Center for Nonprofit Organizations, Harvard University.

Charitable tax-exempt nonprofit entities: incorporated or unincorporated entities and charitable trusts registered under section 501(c)(3) of the Internal Revenue Code and chartered as nonstock corporations under state law. These include most charitable and educational organizations, such as nonprofit hospitals, organized charities, and educational institutions.

Noncharitable nonprofit entities: incorporated or unincorporated nonprofit entities described in sections 501(c)(1)–(2) and (4)–(27) of the Internal Revenue Code. These include such mutual benefit organizations as social clubs, veterans’ organizations, labor unions, burial societies, trade associations, cooperatives, political parties, and “other associations that may roughly be described as carrying forward the private interests of the members, but subject to the nondistribution constraint” (Simon 1987, p. 69).

Congregations, churches, religious orders, denominations, and other religious bodies. Religious bodies are not required to incorporate, register with the Internal Revenue Service (IRS), or file reports with tax authorities, although increasing numbers of these entities are doing so as they become involved with the provision of social welfare and other services funded by government. Since 1970, many religious bodies have incorporated and received exempt status.

Faith-based, “religiously tied,” or denominational service providers. These may or may not be separately incorporated as secular entities, and they may or may not be registered with the IRS as charitable tax-exempts. Not all “faith-based” organizations are religious bodies, and many religious bodies provide services through secular corporations.¹

These types should not be regarded as categorical: entities that counted as “traditional” voluntary associations or charities in censuses of early-nineteenth-century organizations (see Tables Bg1–27) might be classified as charitable tax-exempt or noncharitable exempt entities in statistical series based on IRS data. Religiously tied service providers appear in different guises – as religious bodies, as 501(c)(3) charitable tax-exempts, as “benevolent institutions,” or as traditional voluntary associations, depending on when they were enumerated, by whom, and for what purpose.

Compilers of education statistics have the advantage of relatively fixed definitions for major institutional types and roles, which enable them to know, when they present long statistical series, that “school” and “education” mean more or less the same thing in 1800 as in 1990. Thus, as in Table Bg166–175, we are able to present data on schools from the beginning of the nineteenth century to the present. Nonprofits statisticians, in contrast,

¹ On this, see Jeavons (1998), Chaves (2001), and Hall (2002).

labor under the task of trying to account, in a reasonably coherent way, for an organizational population and sets of activities whose meanings are fungible and contested: terms such as “charitable,” “church,” and “religious” have very different meanings today than they had a century ago. In consequence, users of this chapter will have to accept an inevitable degree of fragmentation and discontinuity in the data we offer. It would be nice to be able to assemble statistical series presenting the growth of the nonprofit sector from de Tocqueville’s time to our own. We *can* offer data on various kinds of traditional voluntary associations. We *do* have numbers on organizations classified as nonprofit by the IRS. But the extent to which the former can be counted as part of the latter is a hotly contested question.

The data sets in this chapter include information on each of the major organizational types, as well as information on growth and change within these organizational populations, their revenues and sources of revenue, expenditures, assets, location, membership, clientage, and goods and services produced or provided. By using data from other chapters in these volumes (on education, health care, the labor force), readers should be able to track the changing significance of nonprofit ownership within particular industries.

Although *Historical Statistics of the United States* generally favors national aggregations of data, we have tried, wherever possible, to include data on regional and state trends and patterns (such as Tables Bg620–675 on charitable giving, Table Bg41–54 on the location of foundations, and Tables Bg349–449 on religion). Because of interest in the geographical distribution, density, and patterns of diffusion of nonproprietary entities of various types (Hall 1982; Bowen, Nygren, et al. 1994; Schneider 1996; Gamm and Putnam 1999); variations in regional generosity (Wolpert 1989, 1993); and regional and local variations and changes in the allocation of tasks among nonprofit, for-profit, and government service providers within particular industries or activity areas (Hansmann 1997; Hall 1999b), we urge that data stakeholders give greater attention to collecting statistics about these issues in the future.

In this essay, we review the problems connected with compiling statistics on nonprofit and related entities, shifting definitions and concepts about them, and the forces driving those shifts.

Defining and Differentiating Voluntary, Nonprofit, and Faith-Based Entities

Earlier editions of *Historical Statistics of the United States* gave scant attention to the universe of voluntary, nonprofit, and religious entities. Envisioned as a reference work for public planners and produced by the Census Bureau (see Appendix 3), the volumes focused primarily on the activities of interest to governmental and other public institutions – particularly economic and defense planners and policymakers (Anderson 1988).

But it was not only the statist bias of census bureaucrats that buttressed indifference to nongovernmental institutions. The domain itself, as represented in numbers and significance before the 1970s, hardly seemed to warrant attention. As late as 1953, when congressional committees, responding with alarm to reports of the growing number of foundations and other tax-exempt entities, requested information about them from the IRS, they were assured by the Commissioner of Internal Revenue that a mere 32,000 registered organizations did not justify the agency’s gathering or publishing statistics about them (U.S.

House of Representatives 1953, p. 64). Systematic data gathering on these “foundations and other tax-exempt entities” began only in the mid-1960s, when the population of registered tax-exempts passed the 200,000 mark and when their assets, their influence, and the privileges accorded their financial supporters sparked another bout of regulatory enthusiasm in an increasingly tax-sensitive public (on the swelling population of nonprofits, see Table Bg55–64; on their growing assets, expenditures, and revenues, see Table Bg65–74).

Regulatory activism and increasing public concern led in 1969 to the passage of tax reforms that greatly increased government oversight of tax-exempt entities. Provisions of the act requiring the filing of detailed annual reports to federal tax authorities greatly enhanced both the quantity and the quality of information on the numbers, activities, and revenues of nonprofits. These data provided scholars and policymakers with the information needed for the systematic analysis of statistics of income and wealth to assess the impact of tax policy on philanthropic giving, as well as the revenues, expenditures, and activities of philanthropic institutions. By the mid-1970s, there was sufficient information about tax-exempts – and sufficient interest in their role and significance – to justify the inclusion of modest sections titled “Philanthropy” and “Religion” in the Bicentennial Edition of *Historical Statistics*, as well as some attention to nonpublic, voluntary, and private service provision in chapters focusing on education and health care.

Governmental attention stimulated efforts by tax-exempt organizations and the trade associations and lobbying groups representing them to gather and disseminate information in the hope of influencing legislation and public opinion. In the late 1940s, the Russell Sage Foundation began publishing studies of foundations (Harrison and Andrews 1946), philanthropic giving (Andrews 1950), corporation giving (Andrews 1952), attitudes toward giving (Andrews 1953), and – beginning in 1960 – an annual directory of foundations, and it established the Foundation Library Center, which compiled and disseminated reference materials on grantmakers and grantmaking (Andrews 1973). (On the proliferation of independent, community, and corporate foundations, especially in the decades following World War II, see Tables Bg28–54.) In 1955, the American Association of Fund-Raising Counsel – a trade association of fund-raising firms and consultants – began publishing *Giving USA*, which presented trend data on philanthropic revenues and expenditures. In 1956, a consortium of foundations convened a meeting of scholars and philanthropic executives to set forth a research agenda on philanthropy – the first of what would become a long line of enterprises in subsidized academic scholarship (*Report* 1956).

Efforts to gather information and frame concepts about private nonprofit entities and activities intensified after the passage of the 1969 Tax Reform Act. By the early 1970s, the first scholarly society, the Association of Voluntary Action Scholars (AVAS), began convening annual research conferences and publishing a journal (the *Journal of Voluntary Action Research*). By the mid-1970s, the U.S. Department of the Treasury cosponsored a privately funded body, the Commission of Philanthropy and Public Needs (better known as the Filer Commission, after its chair, corporate executive John Filer), to study and report on the scope, scale, role, and function of philanthropic and other tax-exempt organizations.

In addition to six volumes of research papers covering every aspect of voluntary and philanthropic activity (Commission 1977),

the commission offered a uniquely encompassing view of “diverse domain charitable tax-exempt enterprise” as a distinct and coherent institutional “sector.” It also sought to identify and highlight the significant commonalities of these enterprises – the most important of which were their treatment under the federal tax code and the fact that they were legally constrained from distributing their financial surpluses in the form of dividends (“the nondistribution constraint”). Although couched in a language and set of concepts drawn from economics and public policy that justified inclusion of all exempt activity in this newly defined “nonprofit,” “independent,” or “third” sector, this new characterization also drew on the more traditional rhetorics and rationales for private charity. The most important came from de Tocqueville, whose *Democracy in America* had not only stressed the importance of voluntary associations in public life but also asserted – without evidence – that their development was inextricably interwoven with the growth of other democratic institutions (de Tocqueville 1835). This linkage posited a sectoral concept that was extraordinarily inclusive – not only encompassing all presently existing tax-exempt entities but also treating them as continuous with all earlier voluntary associations.

Shortcomings of the Nonprofit Sector Concept

The new conception of an all-encompassing nonprofit sector that was independent of government and business was not without its critics. Historian Barry Karl argued that the “sanitary language designating a third or independent sector” conflated the rhetoric of scholarly research with the advocacy agenda of the tax-exempt industries. Substitution of the term “nonprofit” for “philanthropy” or “charity,” he wrote, suggested an organizational conception that was “presumably efficient, subject to cost-accounting standards of performance and principles of effective management,” in order to highlight its public-serving aspects and to obscure its ties to private interests (Karl 1987, pp. 984–5). Others, such as the lawyer-economist Henry Hansmann, criticized the concept’s imprecision, particularly its conflation of organizations that, despite their common status as tax-exempt entities, differed in important ways. He argued that nonprofits supported by private donations (such as the United Way) were significantly different from commercial nonprofits whose revenues derived from the sale of goods and services (such as the National Geographic Society) and from mutual benefit organizations in which members pooled resources in order to receive benefits (such as the Knights of Columbus and other fraternal orders) (Hansmann 1987). Policy scientist Lester Salamon offered a detailed critique of the failure of the sector concept to engage the important relationships between nonprofits and government, arguing that the modern American state was increasingly dependent on nonprofits to carry out its responsibilities (Salamon 1987).

The shortcomings of the nonprofit sector concept became clearer with the passage of time. The election of Ronald Reagan, who promised massive federal spending reductions in order to free traditional voluntary organizations from the heavy hand of Big Government, called attention to the extent of the supposedly “independent” sector’s reliance on direct and indirect government subsidy. Urban Institute researchers, studying the projected impact of proposed cuts, found that the contribution of federal funds to nonprofit revenues ranged from 12 percent to 90 percent, depending on the industry (Salamon and Abramson

1982); cuts of this magnitude would devastate this sector. (On the growing significance of government as a source of revenue for nonprofits, see Tables Bg65–74, Bg176–187, Bg220–233, and Bg251–264.)

With the 1989 publication of Burton Weisbrod’s *Nonprofit Economy*, the IRS’s statistics on exempt organization registrations became easily accessible, offering a view of the sector’s historical development that was strikingly at odds with the conventional notion that the growth of government diminished the significance of private initiative. Instead, these data portrayed an explosive proliferation of tax-exempt entities after 1950, growth that paralleled the growth of Big Government.

Perhaps the greatest shortcoming of the nonprofit sector concept as originally formulated was its failure to include religious entities and activities – which comprised 40 percent of the organizations in the tax-exempt universe and accounted for as much as two thirds of its donated revenues and volunteer labor force. This omission was problematic both quantitatively, because of the sheer numerical significance of religion in American institutional life, and qualitatively, because of the important and well-documented ties between religious bodies and secular agencies. Studies such as Lloyd Warner and Paul Lunt’s Yankee City project had found religious organizations to be the single most important factor shaping associational life in modern American communities, with a single congregation serving as anchor for nearly half of Yankee City’s secular associations (Warner and Lunt 1941).

In the 1990s, three additional factors called further attention to the limitations of conceptualizing nonprofits as an organizational sector clearly distinct from business and government. First, efforts to establish market economies and democratic polities in formerly authoritarian states directed the attention of scholars and policymakers to the interdependence of economies, polities, and the civic values and organizations that appeared to be a necessary condition for their success. The entities comprising “civil society” appeared to include two very different kinds of entities: grassroots voluntary associations and quasi-governmental “nonprofit organizations,” each of which appeared to have very different implications for the vitality and viability of economic, political, and governmental institutions (Putnam 1993; J. Hall 1995). The application of these critical perspectives to American organizational life not only produced an intense – and still unresolved – scholarly debate about the origins and characteristics of civil society and its impact on democratic institutions (Skocpol 1996; Gamm and Putnam 1999; Skocpol and Fiorina 1999; D. Smith 2000), but also gave rise to historical studies that underscored the important differences between traditional grassroots voluntary associations and the charitable tax-exempt nonprofit organizations of the post–World War II decades.

Second, the enactment of public policies favoring devolution (the shifting of tasks from the federal to state and local governments) and privatization (the shifting of these tasks from government to secular and religious actors in the private sectors) focused attention on the allocation of tasks among government, for-profit, and nonprofit service providers. These issues had initially emerged in the 1980s, in response to charges that nonprofits were competing unfairly with for-profit enterprises (U.S. Small Business Administration 1984) and, more compellingly, in connection with the growing number of conversions of nonprofit health care providers to for-profit ownership (Gray 1991; Schlesinger 1994). Both of these debates served to undermine the arguments advanced by

some nonprofit sector theorists that certain kinds of goods and services possessed qualities that favored their provision by nonprofits and government rather than by for-profit providers (Olson 1971) – since these hypotheses could explain neither the enormous growth of commercial activity by supposedly donative and voluntary nonprofit entities nor the impressive success of for-profit service providers in industries assumed to be peculiarly suitable for nonproprietary firms.

Historical studies undertaken in connection with these debates demonstrated conclusively that the role of voluntary and nonprofit firms had varied significantly over time in many of the industries. Health care, which had been dominated by proprietary and government providers, became largely nonprofit by the 1960s – and then, with shifts in government policy, began converting to for-profit ownership in the 1980s (Starr 1982; Fox 1986; Stevens 1989). Before the end of the nineteenth century, a lively rivalry had flourished between for-profit and nonprofit arts organizations; by the 1960s, almost all performing arts organizations had become nonprofit (DiMaggio 1986a, 1986b). Before the 1960s, most independent day schools were proprietary; today, virtually all are nonprofits (Hall 1999a). Even when entities were organized as nonprofits, most functioned as commercial enterprises, providing goods and services for fees. Even for Harvard University, the nation's oldest nonprofit, income earned from tuition, fees, and government grants and contracts has been more important as a source of revenue than donative income from gifts, bequests, and endowments (Harris 1970, p. 210).

Devolution and privatization also directed attention to the fact that studies of the nonprofit sector had largely ignored the role of state-level activity, particularly the important differences in chronologies of organizational development, organizational density (Bowen, Nygren, et al. 1994; Schneider 1996), and philanthropic capacity (Wolpert 1989, 1993). While nationally aggregated data might serve the needs of those arguing for the ubiquity (and, hence, the legitimacy) of nonprofits, they served as a poor predictor of organizational and community capacity to provide essential services to needy populations who once benefited from federal programs (Smith and Lipsky 1993; Gronbjerg 1994; Salamon 1996).

The Elusive Public/Private Distinction

We so take for granted the notion of a clear distinction between public and private domains that we frequently overlook the extent to which this seemingly immutable boundary has developed and changed over time. Only in the 1980s, with the public debate over devolution and privatization, did we begin to appreciate this complex process.

The Supreme Court's decision in the 1819 Dartmouth College case had long been regarded as a landmark in the evolution of American corporations. Under English law, corporations had been treated as contingent delegations of government power and, as such, entirely subject to government authority. Thus, when the state of New Hampshire took control of Dartmouth College from its trustees, it believed that it was acting within the law. Although its actions were upheld in its own courts, New Hampshire lost in the U.S. Supreme Court, which, in a remarkable instance of judicial activism, ruled that Dartmouth College was a constitutionally protected contract between private citizens. In doing so, it extended

civil rights from individuals to corporations and, in doing so, created a private domain of associational activity.

Before the 1980s, it was generally assumed that the Court had acted merely to protect a private college from unwarranted government interference. We now understand that the contest between Dartmouth's trustees and the state of New Hampshire was only one episode in a protracted struggle that played out in courts and legislatures throughout the new nation in the fifty years following the Revolution over whether corporations should be permitted to exist and, if so, whether they should be treated as public or private institutions (Davis 1918; Zollmann 1924; Miller 1961; Whitehead 1976; Hall 1982, 1987, 1992). As a result, few charitable corporations or voluntary associations were formed before 1820 (Wright 1992).

Because of the nature of the federal system, the Supreme Court's decision in the Dartmouth case did not entirely settle the issue. Because neither the Bill of Rights nor decisions by the U.S. Supreme Court were binding on the states until after the ratification of the Fourteenth Amendment, state legislatures and courts – many of them outspokenly hostile to private corporations and private charities – continued to shape policies and practices within their own jurisdictions, where the vast majority of incorporations took place. Most corporations chartered before the Dartmouth case remained unaffected by it and only slowly changed their bylaws to take advantage of their privatized status. Harvard College, perhaps the oldest American eleemosynary corporation (chartered in 1636), continued to be what must be considered a public corporation – with the entire state senate sitting *ex officio* as its Board of Overseers – until 1865, when the alumni began electing representatives to fill these positions. Yale (established in 1701) had a similarly public character between 1792 – when governor, lieutenant governor, and eight senior members of the upper house of the legislature joined the corporation – until 1870, when these were replaced by alumni representatives. Following New England practice, the governing boards of western colleges – including institutions established under denominational sponsorship – were frequently appointed by the governor and included elected officials sitting *ex officio* as members (Hall 1987). The combination of full or partial government presence on boards and significant, if often erratic, levels of state support makes it difficult to define these institutions as clearly public or private before the charities law reforms of the late nineteenth century brought about a greater degree of uniformity, at least in major industrial states such as Massachusetts, New York, Ohio, and Illinois.

Debate on these questions continues, fueled by contemporary privatization of education, social services, health care, and other services that, for most of the twentieth century, have been considered to be public responsibilities. (In contrast, during the nineteenth century, these services were commonly provided by private contractors.) Beginning in the 1950s, governments broadened their use of nonprofit entities, using them as vehicles for economic development, urban renewal, and related purposes. Although these entities were technically private corporations, the fact that they were completely controlled and funded by government and engaged in governmental tasks has raised interesting legal questions about how community development corporations and entities such as port, housing, water, and redevelopment authorities should be treated under freedom-of-information, sovereign immunity, and other statutes governing the activities of public agencies. In the 1970s and 1980s, the court-ordered movement of the mentally

disabled from state institutions into a largely nonprofit system of group homes – entities entirely funded by government and often accorded special statutory status as facilities operating on behalf of the state – has further blurred distinctions between public and private domains.

The complexity of government support for nonprofits poses particular dilemmas for those who have and will be compiling statistics on nonprofit social service providers in the future. Government revenues for service providers often take a number of forms, including contracts, vouchers, and bonded funding for capital expenditures. Contractual arrangements usually involve multiple government agencies at federal, state, and local levels. The huge sums of money involved and the welfare of clients render accurate and comprehensive statistics on revenues and services a public policy issue of the first importance. But its complexity may mean that for historical statisticians of the future, as for those concerned about cost and quality of care today, the system is unmonitorable.

Charitables and Noncharitables

Among the greatest difficulties in compiling historical statistics on nonprofit organizations are, first, changes in the way government agencies have classified charitable and noncharitable nonprofits and, second, the ways in which such changes in tax and regulatory policy have served as incentives for firms to alter their ownership status and their classification under the tax code.

Tax regimes are dynamic, not static. They change with the nature of the state and its priorities. In the late nineteenth and early twentieth centuries, governments generally saw themselves as following and fostering market activity, rather than regulating or directing it. Accordingly, tax burdens at all levels were relatively light and regulatory mechanisms minimal. With the evident failure of market self-regulation in the 1930s and the rise of the welfare/warfare state in the 1940s, national stability was seen to depend on economic management by the federal government. To engage in this task, the federal government embraced a variety of management tools, chief of which was the use of tax policy to selectively encourage private sector activity.

To encourage transfers of revenue from wealthy individuals and corporations, the federal government imposed high tax rates on incomes and estates – but permitted these taxpayers to reduce their obligations through gifts to organizations designated as exempt by the IRS. Prior to 1950, all exempt organizations had been tossed into a catchall part of the code, section 101. In the massive revision of the IRS Code completed in 1954, exempt organizations were carefully classified, with varying amounts of benefit to donors and the organizations themselves, according to policymakers' calculus of public benefit. Initially, the basic rationale behind the 501(c) taxonomy was to differentiate public from private and mutual benefit entities. Over the years, lawmakers drew increasingly fine distinctions between types of organizations whose activities they shaped with regulations and tax incentives. This use of tax policy to engineer organizational activity was not only applied to nonprofits. It was also used to shape economic policy, as in the case of benefits enjoyed by the oil and gas industries.

Ironically, as Tables Bg590–619 suggest, the attempt to substitute tax savings for more traditional benevolent and expressive motives seems to have been less than successful (Burke 2001). While tax savings undoubtedly affected high-income earners who

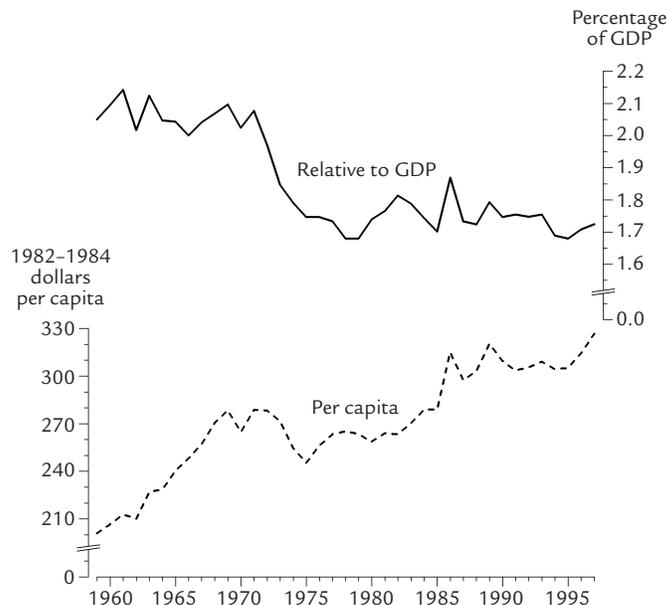


FIGURE Bg-A Estimated philanthropic and charitable giving – per capita and relative to gross domestic product: 1959–1997

Sources

Estimated giving: series Bg590. Population: series Aa7. Gross domestic product (GDP): series Ca1. Consumer price index used to convert per capita giving to real (1982–1984) dollars: series Cc1.

itemized their deductions and, in their estate plans, were highly attentive to the tax code, they did not significantly affect Americans of the lower and middle classes who, as nonitemizers, received no tax benefit for giving. With high tax rates and generous tax benefits for charitable giving, the wealthy and corporations established foundations at a record rate, while the proportion of their annual incomes given for charity increased very little. But the nonitemizers, to whom no benefits accrued for giving, continued to give – usually to religious bodies – at rates often exceeding those of the wealthy (Schervish and Havens 1995). Overall, charitable giving per capita rose, but at a slower pace than real income; see Figure Bg-A.

The federal government used other tools of economic management to influence institutional life. In areas such as health care, government grants were made available to nonprofit and public hospitals to fund research and construction of facilities. Higher education benefited both from grant and contract revenues and from indirect funding, the most notable example of which is the GI Bill of Rights, a voucher program that underwrote the tuitions of veterans. Subsidized loan programs underwrote graduate education in a variety of disciplines and professions. In the 1960s, when federal funding of higher education hit its peak, more than one third of the annual revenues of private universities such as Harvard and Yale came from government (see Tables Bg207–233).

From the standpoint of donors and nonprofit organizations and their managers, government tax, regulatory, and spending policies became the incentive structures that largely determined whether an activity would be organized as a business or a nonprofit and, if the latter, what type of nonprofit. As these policies changed after 1954, the allocation of tasks shifted among nonprofits, for-profits, and government, along with the location of firms within the IRS's classificatory scheme.

Since 1954, entities designated as charitable under the IRS Code have had to be considered as parts of a larger universe of firms that have no owners (nonstock corporations) and are prohibited from distributing their surpluses in the form of dividends. Put in quantitative terms, the 554,614 501(c)(3) charitables registered with the IRS in 1992 were a component of a population of 1,085,206 entities that included 396,000 religious congregations (most of which were not registered with the IRS) and 530,592 noncharitable nonprofits – including such entities as corporations organized under act of Congress [501(c)(1)], title-holding corporations for exempt organizations [501(c)(2)], teachers' retirement fund associations [501(c)(11)], benevolent life insurance and other mutual benefit or cooperative companies [501(c)(12)], cemetery companies [501(c)(13)], state-chartered credit unions and mutual reserve banks [501(c)(14)], agricultural cooperatives [501(c)(16)], employee-funded pension trusts [501(c)(18)], black lung benefit trusts [501(c)(21)], withdrawal liability payment funds [501(c)(22)], title-holding corporations or trusts with multiple parents [501(c)(25)], state-sponsored high-risk health coverage organizations [501(c)(26)], state-sponsored workers' compensation reinsurance organizations [501(c)(27)], religious and apostolic organizations [501(d)], cooperative hospital service organizations [501(e)], cooperative service organizations of operating educational organizations [501(f)], child care organizations [501(k)], and farmers' cooperative associations [512(a)]. Included within these categories of noncharitable nonprofits are social welfare and civic organizations, labor unions, trade associations, fraternal and sororal organizations, social clubs, veterans' organizations, and political parties. (On the changing population of various types of nonprofit organizations since the 1960s, see Tables Bg75–101 and Bg600–605.)

While the 501(c)(3) "charitables" enjoy a wide range of privileges under federal and state tax regimes, including exemption from taxes on corporate income, sales, and real estate and, for their supporters, deductibility of donations, the noncharitables enjoy these benefits selectively. Some, such as churches and apostolic organizations, not only have the same tax privileges as secular charitables but also operate under vastly lighter regulatory burdens. Others, such as many mutual benefit entities, enjoy only exemption from federal corporate taxation. Restrictions on advocacy and lobbying also vary, with most charitables suffering significant limitations on political activity, while trade associations and trade unions are generally unrestricted.

Perhaps the most important factor shaping the organizational demography of nonprofits in the postwar decades has been legislators' and policymakers' increasingly expansive definition of charity. Originally freighted with the notion, inherited from English law, that it involved relief of the needy – dependent, disabled, ignorant, or distressed people – through religious, educational, or charitable interventions, charity is defined by modern tax writers far more broadly, in terms of nondistribution of surpluses and absence of private benefit. As the definition of charity has broadened, the range of entities that could qualify for the coveted 501(c)(3) charitable tax-exempt status expanded to include publishers of books and periodicals (such as *The Nation*, *Ms.*, and *National Geographic*), radio and television broadcasters, and, if appropriate educational programs were initiated, trade associations. The impact of this policy shift was dramatic: in 1967, there were twice as many noncharitables as charitables among the exempt organizations registered

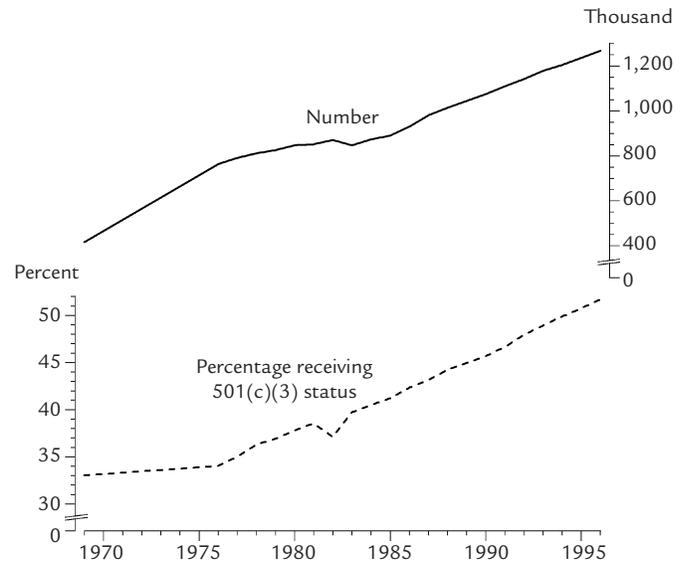


FIGURE Bg-B Active tax-exempt organizations, farmers' cooperatives, and nonexempt charitable trusts – total number and the percentage receiving 501(c)(3) status: 1969–1996

Sources

Total: the sum of series Bg75–101. Percentage receiving 501(c)(3) status: series Bg77 expressed as a percentage of the total.

with the IRS; by 1995, the number of charitables had surpassed noncharitables (see Figure Bg-B). Many of the new charitables were noncharitables that had taken advantage of the IRS's increasingly permissive definition of charity and the tax benefits associated with charitable tax-exempt status.

The growing gap between the technical definition of charity embraced by policymakers, the tax-exempt bar, and nonprofit managers and the notions of charity held by average Americans became dramatically evident after 9/11, when public outrage greeted the Red Cross's handling of donations for Twin Towers victims. Under the law, diverting donations for institutional purposes was perfectly legal. But donors, who wanted their money to relieve the suffering, felt cheated and expressed their dismay forcefully.

A labile policy environment, combined with increasingly sophisticated organizational leadership, does not produce neat or easily understood statistical series. In light of this, data on organizational populations, their activities, and their sources of support cannot be taken as self-explanatory. They must be viewed critically and contextually in terms of the changing nature of government and its policies.

Religious Organizations

The final factor standing in the way of gathering representative statistics on nonprofits involves religious organizations and their activities. While religious bodies in many ways resemble their secular nonprofit counterparts, they have always been accorded special treatment by tax and regulatory authorities because of protections for religious expression embodied in the federal Constitution. Under the Constitution there is no guaranteed right to form voluntary associations; in contrast, government is prohibited from restricting (or supporting) religious expression. The consequence is special

treatment accorded religion under federal and state tax and regulatory regimes: religious bodies are not required to incorporate or file tax returns; they and their supporters enjoy tax exemption and deductibility of donations without having to bear the burden of proof imposed on secular organizations and their donors. As a result, the quality and quantity of statistical information available on religious bodies is fragmentary and often of problematic quality.

A further obstacle is the immense – and increasing – variety of religious organizations, making difficult any clear definition of what constitutes a church, a religion, or a devotional activity. Religious bodies vary enormously in their organizational characteristics, ranging from freestanding congregations through federated organizations, some tightly coupled (such as the Roman Catholic Church) and others loosely coupled (such as the Southern Baptist Convention). With this variety, it is difficult to make meaningful statistical comparisons between religious groups. Variable criteria of what constitutes church membership complicate any effort to construct a coherent statistical portrait of American religion. Until the 1990s, the IRS thought it knew the answer to the question “What is a church?” But after a three-decade battle with the Church of Scientology, which concluded in 1993 with the IRS’s granting it 501(c)(3) status, the agency conceded its inability to set forth authoritative definitions in this area (see Frantz 1997).

The definitional murkiness is further compounded in efforts to deal with service provision by religious or faith-based entities. In fact, there have never been universally accepted definitions of what constituted a religious, sectarian, or faith-based service provider. The sporadic and selective attention of federal agencies to these entities, however defined, and the virtual exclusion of religious bodies and activities from the research agendas of nonprofits and organizational scholars have long posed formidable obstacles to the gathering and analysis of credible statistics on these organizations. The fact that religious entities provide services directly through congregations and other bodies exempt from federal and state registration and reporting requirements, as well as through affiliated secular corporations – community development corporations, hospitals, schools, and social welfare agencies – further complicates matters.² While there may be substantial data on the latter entities compiled by government, trade associations, and industry accrediting agencies, the lack of information on the former stands in the way of any attempt to compile fully integrated measures of their role and significance in private service provision.

Finally, the entire topic of religion and faith-based activity and its place in the nonprofit domain has been obscured by pervasive ignorance and confusion about the nature of religious and religiously tied organizations in the American polity. Although contemporary debate over faith-based social service provision revolves around the “strict separation” of church and state originating in the federal courts, beginning in the 1940s the import of those decisions has been widely misunderstood. They focus almost exclusively on school funding; long-standing government subsidies of church-controlled organizations, such as Catholic Charities USA, the Salvation Army, and Lutheran Social Services, remain unaffected. In fact, government is the largest single source of revenue for these agencies.

² On this variety, see Jeavons (1994, 1998); Chaves (2001), and Hall (2002).

The controversy over charitable choice and related proposals to increase the role of religious bodies in social welfare provision appears to be grounded more in politics than in principle. Before the 1990s, few objections were raised either to the massive government subsidies received by large Protestant, Catholic, and Jewish social service agencies or to the funds granted to inner-city congregations for running job-training, neighborhood revitalization, and other anti-poverty programs during the 1960s. The present debate seems to center on policies that would reallocate funds from the large sectarian agencies that had traditionally benefited from government largesse to evangelical congregations that have not historically provided social services and to small religiously tied service providers (Cnaan and Milofsky 1997; Cnaan 1999; Wineburg 2001; Walsh 2002). The lack of knowledge about these entities makes it difficult to assess or project their capacity to manage and sustain the social services that charitable-choice initiatives propose to entrust to them – and underscores the need for more complete and reliable statistics on religious bodies of every kind.

Organizational Complexity

Historical statistics generally do not do justice to the complexity of organizations. Most of the extant historical statistics on charitable, religious, and other nonprofit organizations concern freestanding entities, giving either aggregate data on national entities without providing information about state and local subunits or data on local subunits without providing information about the larger organizational matrixes of which they were part. Contemporary hybrids, changelings, and organizational complexes operating simultaneously in several sectors present challenges to future statistical scholarship that urgently need to be met.

Since the nineteenth century, much of the scholarship, legislation, and jurisprudence on nonprofits has been based on an ideal typology of freestanding, donatively supported membership organizations, religious and secular, that hardly did justice to the complexity of the organizational universe as it actually existed. Although little attention was devoted to them until very recently, federated or franchiseform organizations – national organizations with state and local chapters – were among the most important types of nonprofit organizations (Young 1989; Oster 1992; Hunter 1993; Skocpol and Ganz 1997). By the time of the Civil War, the major religious denominations and fraternal and sororal organizations, whose members numbered in the hundreds of thousands, belonged to these kinds of entities. Franchiseform organizations – or “national associations,” as Theda Skocpol calls them – varied in structure: some were tightly coupled, with authority wielded from the top; others were loosely coupled, with state and local chapters exercising power over national headquarters. This organizational form became more common in the twentieth century, as trade and professional associations, as well as entities such as the Red Cross and the Community Chest, organized as franchiseforms.

In recent years, changes in tax, regulatory, and funding environments have driven nonprofits to become organizationally more complex, heterogeneous, and less clearly bounded from government and business. IRS restrictions on commercial and advocacy activities by charities have encouraged nonprofits to create wholly owned for-profit subsidiaries to carry out otherwise impermissible activities, while increasing numbers of business corporations have

found nonprofit instrumentalities to be useful for a variety of purposes. Changes in government and other third-party reimbursement policies have driven nonprofits in health and certain social service industries to join national and regional franchise systems or to affiliate with holding companies in order to reduce costs and create efficiencies of scale in purchasing and allocating clients. Other policy changes not only have produced the conversion of many nonprofit hospitals and health insurance plans to for-profit ownership but have also created complex nestings of nonprofit and for-profit corporations which are, in turn, often embedded in national franchiseform organizations. In many states, for example, providers of services to the disabled – most of them parts of national chains – became members of nonprofit umbrella agencies that, through a combination of nonprofit and for-profit subsidiaries, purchased supplies, acquired and developed real estate, and conducted lobbying, advocacy, and litigation on behalf of the disabled (Hall 1999b). In health care, many hospitals, while retaining their nonprofit form, have come under the control of for-profit hospital chains either by means of contracts to manage their operations or by allocating to the chain a controlling number of seats on governing boards. These arrangements have produced constellations of interlocked for-profit, nonprofit, and sometimes governmental agencies. These organizational hybrids are difficult to classify, as growing bodies of literature and litigation about them suggest.

Additional ambiguities in organizational characteristics and activities, which have yet to be adequately measured, involve complex federated or franchiseform organizational structures, hybrid agencies that have developed under contemporary contracting regimes, and the social investment and contributions mechanisms and activities of business corporations. Of these, the franchiseform organizations are the ones most overlooked and most demanding of our attention. They are among the oldest and most common types of nonproprietary entities – embracing not only such venerable organizations as the Freemasons and denominationally structured religious bodies but also contemporary health, advocacy, emergency relief, community service, and other agencies. Despite their obvious prominence, these larger structures have been almost entirely ignored in favor of studies of particular chapters, lodges, or units (Young 1989; Oster 1992; Hunter 1993; Skocpol and Ganz 1997). This bias toward the analysis of firms, rather than the formal larger systems in which they are embedded, requires rethinking and, from the standpoint of historical statisticians, recalculating.

Besides public “authorities” and corporations that administer the utilities and transportation infrastructures of many states, devolution and privatization have given rise to a host of entities that are difficult to locate in standard sectoral or activity taxonomies. The most important of these entities are the group homes that are now the major locus for service provision to the disabled. While most are incorporated as charitable tax-exempt nonprofits, they are treated under the law as hybrid entities – both as households and as licensed service providers (Hall 1996, 1999b). This taxonomic ambiguity has had significant legal consequences because of the courts’ willingness to exempt these facilities from the zoning protections that normally constrain the nonresidential uses of property (“City of Edmonds” 1995). To complicate matters, group homes, though operating on the community level, are increasingly likely to be units of national or regional franchiseform entities.

The Charity of Business and the Business of Charity

While trade and industry groups, such as the National Bureau of Economic Research (Williams and Croxton 1930), the American Association of Fund-Raising Counsel, the Foundation Center, and the Council for Aid to Education (H. Smith 1983, 1984), have been gathering and analyzing statistics on corporate contributions since the 1920s, the full scale of business social investment activities remains unclear (on corporate philanthropic activities, see Tables Bg28–54). This is due, in part, to the fact that substantial portions of such funds are disbursed as direct expenses – for community affairs, public relations, and the like – for which no charitable deductions are claimed. The question remains as to whether political contributions, corporate sponsorships, and the costs of “cause-related marketing” – all major growth areas in recent decades – should be included in enumerations of corporate social expenditure. Because business firms are not generally required to disclose the organizations and causes to which they contribute funds, the full range and impact of corporate civic participation remains far from clear (H. Smith 1998). Finally, because corporations were limited by law in types and amounts of giving before 1954, a significant proportion of contributions took the form of individual donations by corporate officers. A study of giving to Harvard by firms and their officers in the mid-1920s showed that while only 10 percent of the university’s annual gift income came from corporations, the amount given by these firms and their top officers totaled nearly 30 percent of annual gifts received (Hall 1989).

Despite their professed high purposes, nonprofit enterprises have had to be as concerned about their finances as businesses; or, as contemporary nonprofit managers put it, “no margin, no mission.” Like businesses, nonprofits gather and analyze financial information to inform management decisions, to convince donors and funders of their probity and efficacy, and to satisfy the demands of regulators and tax authorities. Aggregate statistics sectorwide on nonprofit revenues, expenditures, and assets date back only to the 1970s (see Tables Bg28–54, Bg65–74, and Bg130–165). However, particular industries have been assembling such statistics since the 1920s. (See Table Bg28–40 for foundations, Tables Bg234–250 for hospitals and health care, and Table Bg251–264 for arts and culture.) Because financial records tend to be preserved, they constitute an extraordinary – and largely unused – statistical resource. When they have been used, as in Seymour Harris’s *The Economics of Harvard* or George Pierson’s *Yale Book of Numbers*, they provide extraordinarily deep and detailed data about the scale, scope, and priorities of institutions (Harris 1970; Pierson 1983). (For examples of these data, see Table Bg220–233.)

Since the 1960s, as nonprofits have had to negotiate increasingly complex funding environments – staying in the black by seeking revenues from mixes of donations, grants, and contracts from public and private sources and from earned income – their management has become increasingly sophisticated and entrepreneurial. This has produced cries of alarm about “commerciality” – the displacement of traditional charitable goals in the pursuit of healthy bottom lines (Weisbrod 1998). Here, representative statistics can serve as a healthy corrective by showing that most nonprofit organizations except the truly charitable ones have historically depended more on earned income than on donations. The nation’s oldest nonprofits, Harvard and Yale, have always drawn the greater part of their annual revenues from tuitions, fees, grants, contracts, and the sale

of goods and services than from gifts, bequests, and endowment income (see Table Bg220–233). A similar distribution of sources of income is found in health care: of the private hospitals, most were for-profit enterprises until after World War II; even after most of the “proprietary” converted to nonprofit ownership, earned income remained their major source of revenue (see Tables Bg234–250). While human services providers would seem, by the nature of their activities, to be protected from the necessity to be entrepreneurial, they have shown themselves to be remarkably adept at locating opportunities for earning revenues. Kirsten Gronbjerg’s 1994 study of nonprofit funding, which broke down the income sources of a representative midsize human services provider, showed it drawing revenue from multiple federal, state, and local agencies (including voucher income), from foundations, corporations, and federated funders, and from rents and sales of goods and services.

Recent changes in public policy should greatly improve the quality of financial statistics on nonprofits. In 1998, the IRS began requiring all nonprofits to make their annual tax returns (Form 990s) available to the public. Most of these are now available at the Internet site of GuideStar, a national database of nonprofit organizations. In contrast to the situation before 1998, when tax data were available on a very limited basis only to accredited researchers who could go to Washington and work with IRS tapes and files, we can expect that with the passage of time, large aggregations of sector-wide financial data will be available to the general public and to scholars.

Conceptualization, Quantification, and the Dilemmas of “Legibility”

Had editors of earlier editions of *Historical Statistics of the United States* commissioned chapters on nonprofits, they would have proceeded from very different sets of assumptions about their scope, scale, role, and public significance than the editors of the current edition. Although the population of nonprofits grew dramatically and the range of activities in which they engage broadened impressively in the decades after 1949, there was a notable and perhaps inevitable lag between rapidly changing institutional realities and the perceptions of scholars and policymakers. In 1949, when the first edition appeared, the vast majority of nonprofits were religious bodies and voluntary membership associations. By the 1960 and 1975 editions, most of the voluntary associations had disappeared and been replaced by section 501(c) entities, increasing numbers of which – though not engaged in the kinds of charitable, educational, or religious activities to which charities had traditionally devoted themselves – sought classification as 501(c)(3) or 501(c)(4) exempt entities. Small wonder that the editors of the 1975 edition confined their efforts on nonprofits to small chapters on religious affiliation and philanthropy, rather than trying to capture the larger domain of rapidly changing nonprofits. And they can hardly be faulted for the modesty of their achievement, since the concept of nonprofits as a coherent and clearly defined institutional sector was invented only in the late 1970s.

Only now, after nearly three decades of intensive study, has it become possible to take the first steps toward a comprehensive view of nonprofit activity. But doing so runs the risk of imposing on extraordinarily complex, diverse, and locally variable institutions and practices standardized definitions and measures necessary for a synoptic view (Scott 1998). The problem with such quantified

simplifications, which stem from the needs of states to centrally record and monitor the activities, is that – embedded in statutory, tax, and regulatory regimes – they take on the power to shape organizational activity and individual behavior. Rather than serving merely as a scheme of classification intended to set forth the variety of tax and regulatory treatments meted out to various kinds of organizations and activities according to the extent to which they serve public rather than private interests, the tax code becomes an incentive structure for tax and estate planners, entrepreneurs, and managers. The distorting effect of the tax code is abundantly evident in statistics of individual giving, which show declines in the proportion of annual household income given for charity, despite increases in potential tax benefits to donors (see Tables Bg606–675; see also Burke 2001, pp. 186–7). This suggests that moral and religious commitments may be more powerful motives for giving than economic calculation.

Because the universe of nonproprietary entities and activities had its greatest period of growth concomitant with the rise of the welfare state, the evolution and crystallization of concepts defining it display the power of “legibility” with particular force. The irrational, complex, diverse, and manifestly unstandardized domain of voluntary associations “of a thousand kinds” that so astonished de Tocqueville in the 1820s – even when it was still embryonic – grew through the course of the nineteenth and the first half of the twentieth centuries to fill a public space that had, for the most part, been defined in terms of individual and collective rights that government was forbidden to impair.

Efforts to create governmental capacities for social engineering can be dated to the Progressive era, with the adoption of comprehensive federal budgeting and, during the 1920s, with the systematic gathering of statistics on virtually every aspect of American life by the U.S. Department of Commerce (Hawley 1974, 1977; Webber and Wildavsky 1986). These initiatives depended to a large extent on voluntary efforts of trade associations, industry groups, and state and municipal agencies. Under such auspices, these statistics inevitably contained built-in biases and elements of advocacy and self-promotion.

The universalization of the personal income tax during World War II and the implementation of economic and national defense planning in the late 1940s definitively transformed this unregulated domain of entities that mediated between citizens and the formal agencies of government into a target for what James Scott would call “state initiated social engineering” (Scott 1998, p. 4). Constrained by deeply rooted traditions of hostility to strong central government, the policymakers of the postwar era devised a unique alternative to the European-style bureaucratic welfare state. The American welfare state, as it emerged after the war, combined elements of centralization (particularly the federalization of revenue gathering and policy planning) and decentralization (under which the actual implementation of national policy was allocated to states and localities and to private sector actors).

Tax policy and the targeted use of federal spending played key roles in this process, influencing patterns of investment and employment, the formation of human capital (particularly through grants and contracts to universities), health and human services provision (through incentives for charitable giving), and forms of ownership (through funding favoring “voluntary” over proprietary entities). The Hill–Burton Program (the Hospital Survey and Construction Act of 1946), for example, in making massive federal aid available to “voluntary” and public hospitals, fueled a tidal wave of

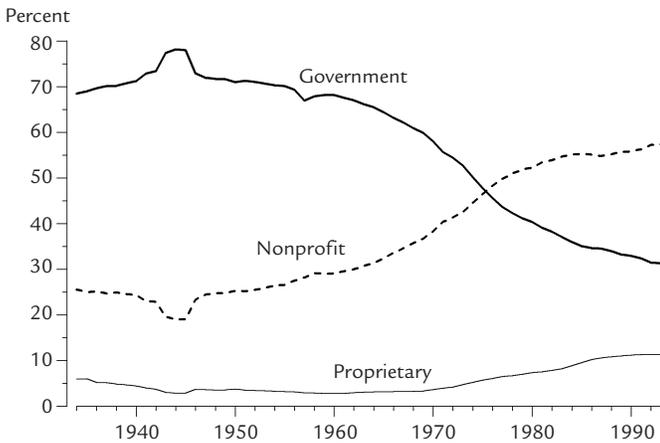


FIGURE Bg-C Hospital beds, by ownership or control: 1934-1993

Sources

Through 1945, Table Bd158-171; thereafter, Table Bd144-157.

conversions of ownership in the health care industry. To this were added generous federal research grants through the federal medical and science institutes. Between 1934 and 1990, hospital beds controlled by nonprofit hospitals increased from under 30 percent to nearly 60 percent, while the government's share fell from over 70 percent to slightly more than 30 percent (see Figure Bg-C). During this period, percentage of proprietary hospitals dropped from over 30 percent to about 17 percent (see Tables Bd144-171). Federal investment in such programs as the GI Bill of Rights, combined with grants and contracts, fueled a similarly explosive growth of higher education. While public institutions benefited from these programs, they also provided powerful incentives for the establishment and expansion of new private institutions.

Although there is little evidence to suggest that anyone in the 1940s anticipated the explosive growth of the charitable tax-exempt domain, there can be no disputing the impact of new tax policies on decision making by the wealthy (who began creating foundations at a record rate), corporations (which began aggressively seeking legal and regulatory sanction for contributing to nonprofits), and fund-raisers and charitable advocacy groups (which began intensive efforts to sell wealthy individuals and foundations on the value of charitable giving) (Andrews 1952; Ruml 1952; Cutlip 1965; Curti and Nash 1965). Indeed, it was the very success of these efforts and some of the surprising loopholes taken advantage of by tax lawyers and estate planners that first attracted unfavorable congressional attention to the rapidly growing tax-exempt universe. Among the more notorious schemes was the New York University (NYU) Law School's acquisition of the Mueller Macaroni Company, then the world's largest pasta manufacturer. Because all of its profits went to support the school, NYU sought tax-exempt status for the enterprise ("Macaroni Monopoly" 1968; Sharpe 1996). The scheme that enabled the Ford Motor Company to pass from its founder to his heirs without paying a penny in taxes – while at the same time creating the world's largest foundation – helped to focus Congress's attention on "foundations and other tax-exempt entities" in overhauling the Internal Revenue Code (MacDonald 1955).

The revised IRS Code, enacted in 1954, was as much a mechanism for gathering revenue as it was a device for steering the

surplus wealth of individuals and corporations to activities and institutions favored by the government. Although Congress strove conscientiously to grasp the changing nature of the growing tax-exempt universe, it is clear from statements made at congressional hearings that legislators and tax officials had a very imperfect understanding of these entities, and they also failed to anticipate how powerfully new tax policies would stimulate their proliferation. While the new code increased government's capacity to oversee nonprofits, it remained a largely underregulated domain, encouraging a variety of abuses that would make them objects of particular scrutiny when Congress again revised the tax code in 1969.

By the 1970s, increasing regulatory scrutiny and demands for demonstrable efficiency and effectiveness by government agencies that funded nonprofits helped to stimulate the final stage of the so-called legibility process: the reform and standardization of nonprofit incorporation statutes and the professionalization of nonprofit management. Both had the effect of shifting nonprofits from a charitable paradigm based on voluntary labor and donative support to a corporate paradigm based on trained employees, government subsidy, and earned revenues.

The needs of the modern state were not the only forces impacting the conceptualization of nonprofits and their activities. As the state sought to make voluntary and nonprofit activity legible, affected industries sought to influence the policy process with their own sets of concepts, definitions, and measures. Congressional investigations of foundations in the 1950s and 1960s and the foundations' inability to block the passage of the Tax Reform Act of 1969 led philanthropic leaders to reconsider their relationship to the rest of the tax-exempt universe. Confronted by a hostile Congress, philanthropy's leaders had defended themselves by using the language of political philosophy derived from de Tocqueville and the Founding Fathers. When they discovered that the lingua franca of public policy had become the language of law and economics, they strategically embraced it – little knowing that doing so would powerfully transform the institutions they sought to defend.

"Has philanthropy become all *law*?" wrote an outraged executive of the Council on Foundations in the midst of the congressional hearings on the 1969 Tax Reform Act. "Is it irrecoverably committed to lawyers instead of its traditional practitioners?" (Goheen 1974). Philanthropy had indeed become very nearly "all law" – and the law itself had increasingly become all economics. Out of this came the effort to conceptually capture the domain of de Tocqueville's thousand kinds of voluntary associations and the growing population of tax-exempt organizations of the post-World War II decades as part of a third, independent, or nonprofit sector.

Religion Statistics

"To represent the religious history of America statistically and geographically is to generalize dangerously and to court disaster openly." (Gaustad 1962)

Religious bodies have been gathering data about themselves since the eighteenth century, and government agencies have done so periodically since the mid-nineteenth century (notably, information on religious bodies collected as part of the population censuses of 1850-1880 and the censuses of religious bodies for 1890, 1906, 1916, 1926, and 1936). Nevertheless, the intrinsic complexity and diversity of religious organizations – whose variations in polity

lead to differences in such fundamentals as the interrelationships and relative significance of operating units, lines of authority and accountability, methods of financial accounting, and definitions of membership – pose formidable obstacles to compiling and presenting historical statistics that are either continuous or comparable.

As Roger Finke and Rodney Stark note in their important but controversial 1992 study *The Churching of America, 1776–1990*, the quality of religion statistics is variable and their meaning contestable. The federal census takers, for example, collected masses of information about

the history, doctrine, organizational features of every religious body in the nation, along with detailed statistics on such things as total membership (also separated by age and sex), Sunday School enrollment, number of congregations, value of church property, amount of debt, total expenditures, ministers' salaries, contributions to foreign missions, and so on – presented separately for every state . . . [as well as] membership data by counties and for all cities having more than 25,000 inhabitants. (Finke and Stark 1992, pp. 9–10)

But despite this wealth of valuable data, our statistical understanding of American religion is deeply flawed. Because religious groups define membership and affiliation differently, statistical series on membership in one group are not strictly comparable with data from others. Since much of the data were collected by religious groups themselves, they are of questionable reliability because congregations had incentives to make themselves appear popular and prosperous to denominational executives and because denominations often wanted to appear wealthier and larger than they actually were (Fry 1933; Webber 1933). Moreover, even if we had reliable and representative data on membership, it would tell us little about the relative influence and public presence of groups regionally and locally (see Figure Bg-D, for example).

Scholars have only recently turned their attention to these questions, investigating such things as the relative generosity and stinginess of religious groups in giving and volunteering (Ronsvalle and Ronsvalle 1997; Iannacone 1998), their effectiveness in promoting civic engagement (Verba, Schlozman and Brady 1995), and their role in providing social services (Wuthnow 1991; Cnaan 1999; Wineburg 2001; Walsh 2002). Ambitious

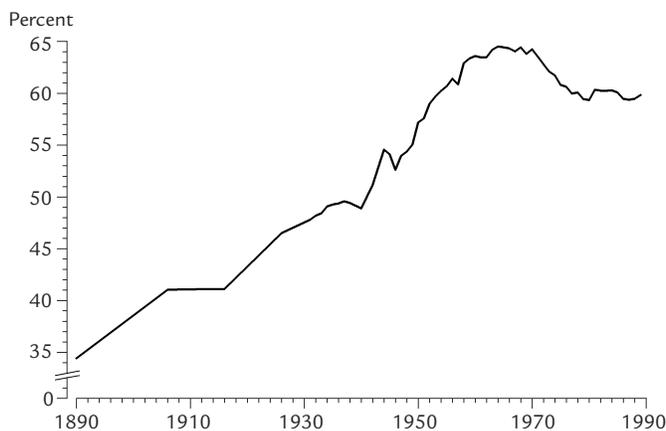


FIGURE Bg-D Church and congregation membership as a percentage of the population: 1890–1989

Sources

Series Aa7 and Bg320.

efforts have also been made to define the place of religion in the nonprofit sector (Wuthnow 1986; Hodgkinson, Weitzman, and Kirsch 1988a, 1988b, 1993; Wuthnow, Hodgkinson, et al. 1990; Hall 1990; Hodgkinson, Weitzman, Toppe, and Noga 1992; Cherry and Sherrill 1992; Demerath, Hall, et al. 1998). These questions are of interest not only to scholars of religious demography (including such issues as the vitality of “mainline” denominations and the implications of increasing religious pluralism), but also – in the wake of welfare reform and its charitable-choice provisions – to policymakers concerned about the capacity of religious groups to provide the “safety net” needed for the dependent and disabled. While valuable data have been collected to illuminate these questions, none were of sufficient temporal depth to include in this chapter.

Even if *Historical Statistics* had presented the full range of information on religious bodies collected by the Census Bureau and denominational enumerators, it would have provided scant insight into the place of religious entities and activities in the larger domain of nonproprietary entities, because the definition of faith-based service provision and faith-based or religiously tied associations and organizations is as fraught with variability and ambiguity as the far simpler question of membership. Because theological orientations, established practices, and other factors – such as state statutes and regulatory norms – introduce variations in not only *what services* religious groups are likely to provide but also *how they are provided* (directly by congregations’ religious orders or denomination bodies, through affiliated secular entities, or through ecumenical/interchurch bodies), it is extraordinarily difficult to locate and present reliable comparable data on these entities and activities. Where possible, we have attempted to present both data on the role of faith-based service provision within particular industries (such as education and health care) and data on service provision within and among religious or faith-based bodies.

Although groups such as Independent Sector have conducted quantitative studies of faith-based service provision (Hodgkinson, Weitzman, and Kirsch 1988a, 1993) – and have gathered a great deal of valuable information in the course of doing so – these bold and costly initiatives have, in using congregations as their basic unit of analysis, ignored the complexity and variability of faith-based service provision. Although congregations have historically been the primary locus of devotional activity for most religious groups, their significance as platforms for service provision varies over time and among traditions.

The Roman Catholic Church presents an excellent example of the problematic nature of the congregation as the primary or sole unit of analysis. The Catholic Church is, of all American religious groups, probably the most active provider of the widest range of educational, health, and human services. But few of these are supplied under congregational auspices. Most are delivered by a complex of secular corporations (most Catholic hospitals and social service agencies, as well as increasing numbers of schools, are separately incorporated and governed by lay boards), religious orders (whose members often administer or work in secular corporations), or diocesan bodies. Catholic Charities USA, perhaps the largest faith-based charity, is a secular corporation that is substantially supported by government subsidies. The Knights of Columbus, one of the largest faith-based financial service enterprises, is a secular corporation whose charter ties it closely to the church. Covenant House, the scandal-plagued human services empire founded by Father Bruce Ritter, is a secular corporation

with a lay board (composed of prominent Catholics) but headed by a member of a religious order. All of these are Catholic service providers – but any analysis that depended solely on either congregational data or even revenues derived from Catholic donors would offer a very partial glimpse into the full dimensions of the service activities connected with the church.

The limited and fragmentary quality of available data precludes this discussion from offering much more than a hint of these kinds of activities. At this point, the best we can offer are figures on faith-based service provision in certain industries.

A final caveat on religion statistics involves the ongoing transformation of American religious life and demography. Over the long term, the major organizational trend in religious life since the beginning of the nineteenth century has been the emergence of large denominational and interdenominational bodies. More recently, however, new countertrends have become evident, particularly the establishment of impressive numbers of freestanding congregations. Although many of these are transient “storefront” enterprises, increasing numbers of these entities (“superchurches”) command memberships that can be counted in the thousands and sometimes tens of thousands (Trueheart 1996). Even if superchurches were not an issue, the proliferation of smaller freestanding congregations over the past two decades amounts, in some communities, to as many as half of the active congregations (Hall 1999a). As the population of these entities increases, the dependability of data collected by denominational and ecumenical bodies is likely to become increasingly questionable.

A related trend involves the rise of alternative forms of worship (for example, the Church of Scientology) and para-church organizations (for example, Habitat for Humanity and Alcoholics Anonymous), for whom ministry and devotional activity are not exercised in congregations nor do they follow familiar forms of worship (Wuthnow 1994). Some of these involve impressive numbers of participants in their activities and, if their significance continues to increase, will demand greater and more scrupulous attention.

Shifts in religious demography, particularly increasing populations of people affiliated with faiths outside the Judeo-Christian traditions, though obviously important features of a changing and more diverse human population, have been largely ignored by collectors of religion statistics. The 1975 edition of *Historical Statistics* confines itself solely to “mainline” Christian bodies, omitting accounts of such important African American groups as the African Methodist Episcopal Church and black Baptist sects, as well as Jewish denominations. Little of the recent scholarship on religious membership and financial trends has given attention to the activities of Islamic or Asian groups, whose membership is now believed to number in the millions.

What Counts and Why?

In the course of the protracted debate over the nature of the nonprofit sector, the fact that categorical and classificatory schemes are merely representations, created for the convenience of individuals or agencies, has often been overlooked. The usefulness of such representations varies according to the needs of researchers and policymakers. Representing nonprofits as a “sector” may be very useful if we are concerned with tax and regulatory issues as they affected exempt organizations after 1954 (when the current IRS taxonomy of exempt organizations was promulgated). This

category would not be particularly useful if we wish to understand the allocation of tasks among public agencies, business firms, and nonprofits with industries or to examine interorganizational relationships that cross sectoral boundaries. Put another way, road maps are useful if we are traveling by car; they are useless if we are navigating waterways.

Over time, reasons for compiling historical statistics have changed, as has an understanding of what kinds of historical statistics we needed to compile. When the first edition of *Historical Statistics* appeared, hard on the heels of the passage of the Employment Act of 1946 and the creation of the Council of Economic Advisors – which signaled the federal government’s determination to manage the nation’s economy – the intention was to “bring together within a single cover the most important of the comprehensive statistical series measuring the economic development of the United States over the past century or more” for the use of the “larger policy making community” (U.S. Bureau of the Census 1949, p. vi; Anderson 1988, p. 192; and the essay on the origins of *Historical Statistics* in Appendix 3). The purpose of *Historical Statistics*, as originally formulated, was to create a resource for government planners concerned with managing the economy, maintaining domestic and international political stability, and mobilizing the nation in the event of war (U.S. Department of Commerce 1954). For these purposes, the range of institutions and activities considered pertinent to the effort were more or less restricted to wealth and income, population characteristics, natural and human resources, public and private finance, and physical infrastructure – domains affected by or otherwise relevant to then-current public policies. Philanthropy, nonprofit organizations, religion, and related institutions and activities were not considered germane to these concerns.

At the beginning of the twenty-first century, the needs of researchers and policymakers and the nature of government itself have changed, and with them our understanding of the kinds of information needed for informed public and private planning. Half a century of devolution and privatization has diffused the tasks of policy planning and implementation to state and municipal governments and to nonprofit agencies created or subsidized by public funds, including religious bodies and universities, which, before World War II, were supported entirely by revenues from private sources. Moreover, since the collapse of authoritarian regimes in the 1990s and the effort to put in their place market democracies, we have discovered that economic and political systems depend on “civil society,” formal and informal associations and organizations that produce the norms of trust and reciprocity essential to orderly exchange and governance (Putnam 1993, 2000; Fukuyama 1995). All of this has made the acquisition of usable knowledge about nonprofits and related entities compellingly important.

References

- Anderson, Margo J. 1988. *The American Census: A Social History*. Yale University Press.
- Andrews, F. Emerson. 1950. *Philanthropic Giving*. Russell Sage Foundation.
- Andrews, F. Emerson. 1952. *Corporation Giving*. Russell Sage Foundation.
- Andrews, F. Emerson. 1953. *Attitudes toward Giving*. Russell Sage Foundation.
- Andrews, F. Emerson. 1973. *The Foundation Watcher*. Franklin and Marshall College.
- Bowen, William G., Thomas I. Nygren, et al. 1994. *The Charitable Nonprofits: An Analysis of Institutional Dynamics and Characteristics*. Jossey-Bass.

- Burke, Colin B. 2001. "Nonprofit History's New Numbers (and the Need for More)." *Nonprofit and Voluntary Sector Quarterly* 30 (2) (June): 174–203.
- Chaves, Mark. 2001. "Religious Congregations and Welfare Reform: Assessing the Potential." In Andrew Walsh, editor. *Can Charitable Choice Work? Covering Religion's Impact on Urban Affairs and Social Services*. Leonard E. Greenberg Center for the Study of Religion in Public Life, Trinity College.
- Cherry, Conrad, and Rowland A. Sherrill. 1992. *Religion, the Independent Sector, and American Culture*. Scholars Press.
- "City of Edmonds, Petitioner v. Oxford House, Inc., et al." 1995. Number 94-23 Supreme Court of the United States. 115 S. Ct. 1776; 131 L. Ed. 2d 801.
- Cnaan, Ram. 1999. *The New Deal: Social Work and Religion in Partnership*. Columbia University Press.
- Cnaan, Ram, and Carl Milofsky, editors. 1997. *Small Religious Nonprofits. Nonprofit and Voluntary Sector Quarterly* 26 (Supplemental Issue).
- Commission on Philanthropy and Public Needs. 1977. *Research Papers*. 6 volumes. U.S. Department of the Treasury.
- Curti, Merle, and Roderick Nash. 1965. *Philanthropy and the Shaping of American Higher Education*. Rutgers University Press.
- Cutlip, Scott M. 1965. *Fund Raising in the United States*. Rutgers University Press.
- Davis, Joseph S. 1918. *Essays in the Earlier History of American Corporations*. 2 volumes. Harvard University Press.
- Demerath, N. J., III, Peter Dobkin Hall, et al., editors. 1998. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. Oxford University Press.
- de Tocqueville, Alexis. 1835. *Democracy in America*. Translated by Henry Reeve. Vintage Books, 1945.
- DiMaggio, Paul J. 1986a. "Cultural Entrepreneurship in Nineteenth Century Boston." In Paul J. DiMaggio, editor. *Nonprofit Enterprise in the Arts: Studies in Mission and Constraint*. Oxford University Press.
- DiMaggio, Paul J. 1986b. "Can Culture Survive the Marketplace?" In Paul J. DiMaggio, editor. *Nonprofit Enterprise in the Arts: Studies in Mission and Constraint*. Oxford University Press.
- Finke, Roger, and Rodney Stark. 1992. *The Churching of America, 1776–1990: Winners and Losers in Our Religious Economy*. Rutgers University Press.
- Fox, Daniel M. 1986. *Health Policies, Health Politics: The British and American Experience, 1911–1965*. Princeton University Press.
- Frantz, Douglas. 1997. "The Shadowy Story behind Scientology's Tax-Exempt Status." *New York Times* (March 9).
- Fry, C. Luther. 1933. "Changes in Religious Organizations." In *Recent Social Trends in the United States: Report of the President's Research Committee on Social Trends*, volume 2. McGraw-Hill.
- Fukuyama, Francis. 1995. *Trust: The Social Virtues and the Creation of Prosperity*. Free Press.
- Gamm, Gerald, and Robert Putnam. 1999. "Association Building in America, 1840–1950." *Journal of Interdisciplinary History* 29 (4) (March): 511–58.
- Gaustad, Edwin. 1962. *Historical Atlas of Religion in America*. Harper & Row.
- Goheen, Robert. 1974. Memorandum to Eugene Struckhoff. Council on Foundations files, Agency File 8/73-4/74, Rockefeller Archives Center.
- Gray, Bradford H. 1991. *The For-Profit Motive and Patient Care: The Changing Accountability of Doctors and Hospitals*. Twentieth Century Fund.
- Gronbjerg, Kirsten. 1994. *Understanding Nonprofit Funding*. Jossey-Bass.
- Hall, John A., editor. 1995. *Civil Society: Theory, History, Comparison*. Polity Press.
- Hall, Peter Dobkin. 1982. *The Organization of American Culture, 1700–1900: Institutions, Elites, and the Origins of American Nationality*. New York University Press.
- Hall, Peter Dobkin. 1987. "The Spirit of the Ordinance of 1787: Organizational Values, Voluntary Associations, and Higher Education in Ohio, 1803–1830." In Paul H. Mattingly and Edward W. Stevens Jr., editors. "... Schools and the Means of Education Shall Forever Be Encouraged": *A History of Education in the Old Northwest*. Ohio University Libraries.
- Hall, Peter Dobkin. 1989. "Business Giving and Social Investment in the United States." In Richard Magat, editor. *Philanthropic Giving: Studies in Varieties and Goals*. Oxford University Press.
- Hall, Peter Dobkin. 1990. "The History of Religious Philanthropy in the United States." In Robert Wuthnow, Virginia A. Hodgkinson, et al., editors. *Faith and Philanthropy in America*. Jossey-Bass.
- Hall, Peter Dobkin. 1992. *Inventing the Nonprofit Sector and Other Essays on Philanthropy, Voluntarism, and Nonprofit Organizations*. Johns Hopkins University Press.
- Hall, Peter Dobkin. 1996. "There's No Place Like Home: Contracting Human Services in Connecticut, 1970–1995." PONPO Working Paper number 235. Program on Non-Profit Organizations, Yale University.
- Hall, Peter Dobkin. 1999a. "Vital Signs: Associational Populations and Ecologies in New Haven, Connecticut, 1850–1990." In Morris Fiorina and Theda Skocpol, editors. *Civic Engagement in American Democracy*. Brookings Institution Press.
- Hall, Peter Dobkin. 1999b. "Blurred Boundaries, Hybrids, and Changelings: The Fortunes of Nonprofit Organizations in the Late Twentieth Century." In George E. Marcus, editor. *Critical Anthropology Now: Unexpected Contexts, New Constituencies, Changing Genres*. American College of Research.
- Hall, Peter Dobkin. 2002. "Historical Perspectives on Religion, Government, and Social Welfare in America." In Andrew Walsh, editor. *Can Charitable Choice Work? Covering Religion's Impact on Urban Affairs and Social Services*. Leonard E. Greenberg Center for the Study of Religion and Public Life, Trinity College.
- Hansmann, Henry. 1987. "Economic Theories of the Nonprofit Sector." In W. W. Powell, editor. *The Nonprofit Sector: A Research Handbook*. Yale University Press.
- Hansmann, Henry. 1997. *Ownership of Enterprise*. Harvard University Press.
- Harris, Seymour. 1970. *The Economics of Harvard*. McGraw-Hill.
- Harrison, Shelby M., and F. Emerson Andrews. 1946. *American Foundations for Social Welfare*. Russell Sage Foundation.
- Hawley, Ellis W., editor. 1974. *Herbert Hoover as Secretary of Commerce: Studies in New Era Thought and Practice*. University of Iowa Press.
- Hawley, Ellis W. 1977. "Herbert Hoover, the Commerce Secretariat, and the Vision of an 'Associative State.'" In E. J. Perkins, editor. *Men and Organizations: The American Economy in the Twentieth Century*. Putnam's.
- Hodgkinson, Virginia A., Murray S. Weitzman, and Arthur D. Kirsch. 1988a. *From Belief to Commitment: The Activities and Finances of Religious Congregations in the United States, 1992*. Independent Sector.
- Hodgkinson, Virginia A., Murray S. Weitzman, and Arthur D. Kirsch. 1988b. "Demographic Trends in Religious Institutions: Preliminary Findings from a National Survey of the Activities and Finances of Religious Institutions in the United States." In *Looking Forward to the Year 2000: Public Policy and Philanthropy*. Spring Research Forum Working Papers, Independent Sector.
- Hodgkinson, Virginia A., Murray S. Weitzman, and Arthur D. Kirsch. 1993. *From Belief to Commitment: The Activities and Finances of Religious Congregations in the United States, 1992*. Independent Sector.
- Hodgkinson, Virginia A., Murray S. Weitzman, Christopher M. Toppe, and Stephen M. Noga. 1992. *Nonprofit Almanac, 1992–1993*. Jossey-Bass.
- Hunter, Albert. 1993. "National Federations: The Role of Voluntary Organizations in Linking Macro and Micro Orders in Society." *Nonprofit and Voluntary Sector Quarterly* 22 (3) (Summer): 121–36.
- Iannacone, Laurence R. 1998. "Why Strict Churches Are Strong." In N. J. Demerath III, Peter Dobkin Hall, et al. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. Oxford University Press.
- Jeavons, Thomas. 1994. *When the Bottom Line Is Faithfulness: Management of Christian Service Organizations*. Indiana University Press.
- Jeavons, Thomas. 1998. "Identifying Characteristics of 'Religious' Organizations." In N. J. Demerath III, Peter Dobkin Hall, et al. *Sacred Companies: Organizational Aspects of Religion and Religious Aspects of Organizations*. Oxford University Press.
- Karl, Barry. 1987. "Nonprofit Institutions." *Science* 236 (May 22): 984–5.
- "The Macaroni Monopoly: The Developing Concept of Unrelated Business Income of Exempt Organizations." 1968. *Harvard Law Review* 81: 1280–94.
- MacDonald, Dwight. 1955. *The Ford Foundation: The Men and the Millions*. Reynal.
- Miller, Howard S. 1961. *The Legal Foundations of American Philanthropy*. State Historical Society of Wisconsin.
- Olson, Mancur. 1971. *The Logic of Collective Action: Public Goods and the Theory of Groups*. Harvard University Press.

- Oster, Sharon. 1992. "Nonprofit Organizations as Franchise Operations." *Non-profit Management and Leadership* 2 (Spring): 223–38.
- Pierson, George W. 1983. *The Yale Book of Numbers: Historical Statistics of the College and University, 1701–1976*. Yale University Press.
- Putnam, Robert D. 1993. *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton University Press.
- Putnam, Robert D. 2000. *Bowling Alone: The Collapse and Revival of American Community*. Simon & Schuster.
- Report of the Princeton Conference on the History of Philanthropy. 1956. Russell Sage Foundation.
- Ronsvalle, John, and Sylvia Ronsvalle. 1997. *The State of Church Giving through 1995*. Empty Tomb.
- Ruml, Beardsley. 1952. *Manual of Corporate Giving*. National Planning Association.
- Salamon, Lester M. 1987. "Of Market Failure, Voluntary Failure, and Third-Party Government: Toward a Theory of Government – Nonprofit Relations in the Modern Welfare State." In Susan Ostrander, Stuart Langton, and Jon Van Til, editors. *Shifting the Debate: Public/Private Sector Relations in the Modern Welfare State*. Transaction Press.
- Salamon, Lester M. 1996. *Partners in Public Service: Government–Nonprofit Relations in the Modern Welfare State*. Johns Hopkins University Press.
- Salamon, Lester, and Alan Abramson. 1982. *The Federal Budget and the Non-profit Sector*. Urban Institute Press.
- Schervish, Paul G., and John J. Havens. 1995. "Do the Poor Pay More: Is the U-Shaped Curve Correct?" *Nonprofit and Voluntary Sector Quarterly* 24 (1) (Spring): 79–90.
- Schlesinger, Mark. 1994. "Mismeasuring the Consequences of Ownership: External Influences and the Comparative Performance of Public, For-Profit, and Private Nonprofit Organizations." PONPO Working Paper number 205. Program on Non-Profit Organizations, Yale University.
- Schneider, J. C. 1996. "Philanthropic Styles in the United States: Toward a Theory of Regional Differences." *Nonprofit and Voluntary Sector Quarterly* 25 (2): 190–210.
- Scott, James C. 1998. *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed*. Yale University Press.
- Sharpe, Donald L. 1996. "Unfair Business Competition and the Tax on Income Destined for Charity: Forty-Six Years Later." *Florida Tax Review* 3: 367–470.
- Simon, John G. 1987. "The Tax Treatment of Nonprofit Organizations: A Review of Federal and State Policies." In W. W. Powell, editor. *The Nonprofit Sector: A Research Handbook*. Yale University Press.
- Skocpol, Theda. 1996. "The Tocqueville Problem: Civic Engagement in American Democracy." *Social Science History* 21 (4) (Winter): 106–9.
- Skocpol, Theda, and Morris Fiorina. 1999. *Civic Engagement in American Democracy*. Brookings Institution Press.
- Skocpol, Theda, and Marshall Ganz. 1997. "Casting Wider Nets." Paper presented to the Conference on Civic Engagement in American Democracy, Portland, Maine, September 26–28.
- Smith, David H. 2000. *Grassroots Associations*. Sage Publications.
- Smith, Hayden W. 1983. *A Profile of Corporate Contributions*. Council for Aid to Education.
- Smith, Hayden W. 1984. *Corporate Contributions Research since the Filer Commission*. Council for Aid to Education.
- Smith, Hayden W. 1998. "Mandating the Disclosure of Corporate Charitable Contributions." PONPO Working Paper number 254. Program on Non-Profit Organizations, Yale University.
- Smith, Steven R., and Michael Lipsky. 1993. *Nonprofits for Hire: The Welfare State in the Age of Contracting*. Harvard University Press.
- Starr, Paul. 1982. *The Social Transformation of American Medicine*. Basic Books.
- Stevens, Rosemary. 1989. In *Sickness and in Wealth: American Hospitals in the Twentieth Century*. Basic Books.
- Trueheart, Charles. 1996. "Welcome to the Next Church." *Atlantic Monthly* 278 (2): 37–58.
- U.S. Bureau of the Census, 1949. *Historical Statistics of the United States, 1789–1945*. U.S. Government Printing Office.
- U.S. Department of Commerce. 1954. *A Supplement to the Survey of Current Business: National Income 1954 Edition*. U.S. Government Printing Office.
- U.S. House of Representatives, 82nd Congress, 2nd Session. 1953. *Hearings before the Select Committee to Investigate Foundations and Comparable Organizations*. U.S. Government Printing Office.
- U.S. Small Business Administration. 1984. *Unfair Competition by Nonprofit Organizations with Small Business: An Issue for the 1980s*. Small Business Administration.
- Verba, Sidney, Kay Lehman Schlozman, and Henry E. Brady. 1995. *Voice and Equality: Civic Voluntarism in American Politics*. Harvard University Press.
- Walsh, Andrew, editor. 2002. *Can Charitable Choice Work? Covering Religion's Impact on Urban Affairs and Social Services*. Leonard E. Greenberg Center for the Study of Religion and Public Life, Trinity College.
- Warner, W. Lloyd, and Paul S. Lunt. 1941. *The Social Life of a Modern Community*. Yale University Press.
- Webber, Carolyn, and Aaron Wildavsky. 1986. *A History of Taxation and Expenditure in the Western World*. Simon & Schuster.
- Webber, Herman C., editor. 1933. *Yearbook of American Churches: A Record of Religious Activities in the United States for the Year 1932*. Round Table Press.
- Weisbrod, Burton. 1989. *The Nonprofit Economy*. Harvard University Press.
- Weisbrod, Burton. 1998. *To Profit or Not to Profit: The Commercial Transformation of the Nonprofit Sector*. Cambridge University Press.
- Whitehead, John S. 1976. *The Separation of College and State: Columbia, Dartmouth, Harvard, and Yale, 1776–1876*. Yale University Press.
- Williams, Pierce, and Frederick E. Croxton. 1930. *Corporate Contributions to Organized Community Welfare Services*. National Bureau of Economic Research.
- Wineburg, Robert J. 2001. *A Limited Partnership: The Politics of Religion, Welfare, and Social Service*. Columbia University Press.
- Wolpert, Julian. 1989. "Prudence and Parsimony: A Regional Perspective." *Nonprofit and Voluntary Sector Quarterly* 18 (3): 223–36.
- Wolpert, Julian. 1993. *Patterns of Generosity in America: Who's Holding the Safety Net?* Twentieth Century Fund.
- Wright, Conrad Edick. 1992. *The Transformation of Charity in Post-Revolutionary Massachusetts*. Northeastern University Press.
- Wuthnow, Robert. 1986. *The Restructuring of American Religion*. Princeton University Press.
- Wuthnow, Robert. 1991. *Acts of Compassion: Caring for Others and Helping Ourselves*. Princeton University Press.
- Wuthnow, Robert, editor. 1994. *"I Come Away Stronger": How Small Groups Are Shaping American Religion*. William B. Eerdmans.
- Wuthnow, Robert, Virginia A. Hodgkinson, et al. 1990. *Faith and Philanthropy in America*. Jossey-Bass.
- Young, D. M. 1989. "Local Autonomy in a Franchise Age: Structural Change in National Voluntary Organizations." *Nonprofit and Voluntary Sector Quarterly* 18: 101–17.
- Zollmann, Carl. 1924. *American Law of Charities*. Bruce Publishing Company.