Does faith make life better?
New research says yes

BY JAMES CHOI, New Haven, Connecticut

I’m a professor of finance at the Yale School of Management. I’ve also been a Christian since middle school, when I made a personal commitment to give my life to Jesus.

Some people might be surprised that there are Christians on the faculty of Yale. (Never mind that we have a divinity school!) Yale has had an anti-religious reputation that goes back at least to 1951, when a book called God and Man at Yale famously criticized Yale for forcing secularism upon its students. Yale for sure is a predominantly secular institution today—far removed from its Puritan origins. But it is not, in my experience, anti-religious as a whole. Often indifferent to religion, yes, but not hostile.

My own faith matured immensely when I was a college student at Harvard, another institution sometimes described as faith-averse. I was heavily involved in an InterVarsity Christian Fellowship group there. Inspired by my peers, I tried to live as a Christian not just on Sundays but every day.

Finance is an area that might seem especially devoid of God—even incompatible with faith. It’s true that greed and dishonesty can easily be found in the finance world. But there’s a reason why finance exists in every civilization: Civilization can’t be built without it.

Without finance, people with a good idea can turn that idea into reality only if they have enough resources to get it done. That means only rich people can undertake large-scale projects. With finance, innovators can tap the support of many other people. For example, they can borrow to cover the costs of setting up a business. Why are investors willing to give money to the innovator? Because finance enables the innovator to share with investors the future value created by the venture.

God told the Jewish exiles in Babylon, “Seek the peace and prosperity of the city to which I have carried you into ex-
The apostle Peter says that Christians are “foreigners and exiles” in this world. If so, Christians are to seek the world’s peace and prosperity until we are taken home. Making finance work better is one way to do that.

Most of my research focuses on how ordinary people manage their personal finances. A lot of people need help with this! Even when we know what we should do—such as save more—temptation often gets the better of us. Some of my early work showed that if companies make saving for retirement the default choice for employees, they are much more likely to save. As a result of my research, more companies are requiring employees to opt out of—rather than into—401(k) plans.

But not all of my research is in finance. One of the benefits of being a professor is the intellectual freedom I have. Recently, I’ve used scientific methods to investigate the impact of religious faith on people’s lives. Does faith make life better?

I’m not the only one asking that question. There’s a lot of research on how the lives of religious people differ from the lives of nonreligious people. According to some studies, people with strong faith have better health, commit fewer crimes, have fewer drug and alcohol problems, earn more money and get more education.

The problem is, it’s hard to determine whether people’s faith is contributing to those good outcomes—or whether the kind of people who tend to make healthy, responsible choices also happen to like going to church. Just because two things go together doesn’t mean one causes the other.

The gold standard in science for proving cause and effect is a randomized controlled trial. Want to figure out whether a certain medical treatment cures a disease? You would randomly assign some patients to get the treatment and others not to. Then you’d compare the two groups’ future health. Significant differences can be attributed to the treatment.

But can you study religion with a randomized controlled trial?

A few years ago, I got my chance. With economics professors at the London School of Economics (Gharad Bryan) and Northwestern University (Dean Karlan), I began a research partnership with International Care Ministries, or ICM, a 26-year-old Christian organization that serves the ultra-poor in the Philippines—people who live on less than 50 U.S. cents per day.

ICM runs Transform, a 15-week program that teaches classes on three subjects: healthy behaviors, livelihood skills and Christian values and theology. ICM staff teach the health and livelihoods curricula, and a local pastor teaches the values curriculum. There are thousands of Filipino pastors who want to run a Transform class, but ICM has the resources to equip only a fraction of that number at a time. ICM was willing to randomly assign which communities would be offered the values curriculum and which would not, since the total amount of religious outreach would remain the same.

At the start of the study, each pastor visited two communities and identified poor households. A quarter of visited communities got the full Transform program, a quarter got only the health and livelihoods curricula, a quarter got only the values curriculum, and the final quarter of communities did not get any classes. We could identify the effect of the values curriculum by comparing how participants’ lives in each of those different groups changed.

In the spring of 2015, 160 pastors along with other ICM workers fanned out to administer the various versions of Transform. More than 80 percent of households invited to attend Transform came to at least one session, and the average invited household came to more than half of the sessions. Six months after the program ended, we sent independent survey teams to more than 6,200 households to measure how their lives had changed.

Households that received the values curriculum reported significantly higher religious motivation, practice and belief than households that weren’t offered the values curriculum. In addition, households invited to receive the values curriculum had 9.2 percent higher income than households that weren’t offered the values curriculum.

What was it about the values curriculum that increased participants’ income? The curriculum teaches that every person is created in God’s image and is therefore of high worth. Suffering is not meaningless. We can find hope in trials “if we humbly welcome them as God’s pruning knife” that will cause us to become more fruitful. I think this is a powerful message for participants living on their society’s economic margins. Internalizing such a message can help anybody—whether an ultra-poor Filipino or an ordinary American—persevere through setbacks.

There was one negative result. People who received the values curriculum reported having a lower economic status relative to others in their community. This might be because the values curriculum changed the type of work participants did. They shifted away from low-paid work as agricultural laborers to self-employment, livestock tending and fishing. This may have caused them to come into contact with more economically successful members of their community, making them more aware of how low their economic rank was.

People shouldn’t become religious because it will help them financially. People should follow a religion because they believe it’s true. The Bible describes those “who think that godliness is a means to financial gain” as “people of corrupt mind, who have been robbed of the truth” (1 Timothy 6:5).

And yet there is something about living in accordance with the grain of creation—as revealed by the Creator—that promotes human flourishing.

Keep this in mind the next time you think about inviting someone to go to church with you. Tell them it will be good for them. The research says so!