

MONICA ROMAN

ZIZI GOSCHIN

DOES RELIGION MATTER? EXPLORING ECONOMIC PERFORMANCE  
DIFFERENCES AMONG ROMANIAN EMIGRANTS

**Monica Roman**

Bucharest Academy of Economic Studies, Bucharest, Romania. Institute for the  
Study of Labor, Bonn, Germany.  
Email: monica.roman@csie.ase.ro

**Zizi Goschin**

Bucharest Academy of Economic Studies, Bucharest, Romania.  
Email: zizigoschin@hotmail.com

**Abstract:** Although migration and religion have traditionally developed as two separate research topics, in the current context of globalization and trans-nationalism attention begins to focus on the way they interconnect. Religion received little attention in Romanian studies on migration undertaken so far. Using the results of our survey among Romanian international migrants of different religious faiths, this paper aims to raise interest in migration-religion relationship and, at the same time, to improve the understanding of the economic performance factors in a migration context by focusing on the distinctive characteristics of Romanian religious minorities. We address both the theoretical and the empirical dimension of this topic, making use of various statistical methods. Our main findings are consistent with the assumption that religious belief is reflecting upon the behavior and economic performance of Romanian migrants.

**Key words:** religious minorities, international migration, economic performance, remittances, Romania

## Introduction

The renewed interest in religion worldwide brought about increased attention to the role of religious affiliations in migration phenomenon and in the integration of the immigrants in the receiving countries.<sup>1</sup> The world entered a post-secular era in which, far from determining the abandonment of religious beliefs, modernization has produced a religious plurality which needs to be acknowledged and studied<sup>2</sup>. The multi-sided relationship that exists between migration and religion opens up a wide range of research lines, such as the interconnections between the dominant and the migrant minorities' religions, the degree of tolerance for the immigrants' traditions and religious practices, the establishment of places of worship for the migrant minorities; the influence of immigrants on the religious diversity in the host country and the possible challenges to mainstream denominations; the changes of the immigrants' religion during their integration in the host society; the contribution of the religion to spiritual comfort and identity preservation for the immigrants.

In many of the classic studies on immigrants' integration in the host society, researchers have emphasized that religion has a key role to play<sup>3</sup>, as an important part of the cultural baggage. As migration flows are continuously growing in this increasingly globalised world, the traditionally stable local religious systems are beginning to be challenged by the immigrants that bring on their own traditions and religious beliefs and practices. The receiving communities may respond to this intercultural pressure by reaffirming their own identity and traditions as opposed to the migrants, which is sometimes leading to clashes<sup>4</sup> and calls for state intervention and adjustments on both sides<sup>5</sup>. Societies become increasingly aware of the existence of a religious problem in the integration process and, especially after the events of 11th September the religious question has become an issue of high interest in migration politics.

In order to understand and prevent such problems, research has developed in this field, aiming to identify and explain the large variety of ways in which religion is involved in the migration movements and in the immigrants' successful resettlement in the context of a different dominant religion country. As the economic performance of the immigrants is an essential part of their successful integration, the relationship between religion and economics is another key topic of research.

Given the fact that an increasing share of Romanian immigrants represents religious minorities in destination country, understanding the migration-religion relationship and assessing how religious affiliation may alter the economic situation of migrants represent issues of interest for Romania as well. Emigrants left Romania in a number of emigration waves. The first major one, dating back to the early 90th, had a strong ethnical motivation. It redesigned the Romanian religious mix, as ethnic minorities usually are religious minorities as well. Although the work motivation now

dominates the emigration flows, the Romanian immigrant communities, frequently established on religious grounds, are acting as an attraction factor for the potential emigrants of the same faith. While earlier studies on Romanian emigration mostly neglected the religious issue, some recent ones acknowledge that religious affiliation has a role to play in providing stability, reassurance, a more rapid integration and economic success for the immigrants.

In this context we address two interrelated research questions: are there any differences in behavior, including the propensity to remit, among Romanian immigrants of different religions? and, can religion be one of the explaining factors of Romanian migrants' economic performance?

This undertaking is based on the data provided by our online survey conducted during August-December 2010 among Romanian emigrants of different religions. We employed statistical methods to identify the similarities and to highlight the differences among dominant and minority religions in Romania. Our work is providing insightful addition to the traditional analysis of migration and remittances by including religion, in a regression framework, as one of the explaining factors that allow for understanding the economic success of Romanian international migrants.

The rest of the paper is structured as follows. Section 2 offers an extended review of the relevant theories on the interaction between migration and religion, and on religious affiliation, in connection with economic outcomes. Section 3 explains the basic hypothesis and the theoretical background of our paper, including a detailed description of religious demography in Romania. Section 4 introduces the data set and variables involved in our approach and discusses the appropriate econometric methodology as well. Section 5 concentrates on the empirical results. Finally, concluding remarks and directions for future research complete the paper.

### **Religion's impact on immigrant integration and economic performance**

The growing literature on migration of the last decades emphasizes its complex social, cultural and economic literature on migration of the past decades revealed that migration, as a complex phenomenon itsits significant impact, both in the sending and recipient countries. The research on migration has contributed to the definition of new theories and concepts such as globalization, trans-nationalism, post-colonialism, Diasporas, and cosmopolitanism. It has also fueled increasing public debate on key issues connected with immigration such as national identity, minority rights, security, social integration, cultural diversity and, more recently, religion<sup>6</sup>. The research that developed in this field identified and explained a large variety of ways in which religion is

involved in the immigrants' successful integration. We further present the main avenues of research.

### **Religion's role in the life of the immigrants**

Religious practice in immigrant communities. Religious identity and practice becomes more important for the immigrants, than they did before in the homeland and the religious institutions forged in the new communities become focal points in their new life abroad<sup>7</sup>. Many studies have emphasized the religiosity boost in a migration context, as immigrants need religion to help them preserve spiritual identity and cohesion in a group<sup>8</sup>. The religious bond acts as one of the strongest social ties. The same effect was noticed for Romanian migrants as well<sup>9</sup>.

While some immigrants continue to identify primarily with their homeland, the exposure to a new culture and the sense of uprooting make others experience major transformations in their religious and cultural identity<sup>10</sup>. On the other hand, immigrants gain a new perception of their own religious affiliation, against other faiths. Migration can thus, in a long time perspective, implement and redesign the religious traditions, and even bring about independent traditions with distinct characteristics, in contrast to former home tradition<sup>11</sup>.

Religion is helping alleviate the difficulties faced by the immigrants in a new unpredictable environment by offering them the three Rs: Refuge, Respectability and Resources<sup>12</sup>. Refuge, as religious practice in the immigrant communities creates strong bonds and provides a sense of belonging and security for migrants. Respectability, as during the struggle to build a new life in the host country, religion supplies spiritual identity, self-awareness and ethical values. Resources can be supplied through social networks created around religious communities that provide help in finding employment, offer information about social services or create a place for social interactions.

The establishment of immigrants own religious institutions. Religious resettlement in a new context frequently includes the establishment of religious institutions among immigrants, in direct proportion to the development of the immigrant population itself<sup>13</sup>. Of special importance are the socio-religious associations, aiming to raise funds and organize activities<sup>14</sup>. Another prominent role of such organizations involves fighting for legal rights regarding specific religious or cultural practices, non-discrimination, and equal access to public resources<sup>15</sup>. Religious associations have a mixed influence on the successful integration of immigrants: they are useful as providers of security and mutual support, but if these communities are marginalized by the host society (e.g. ghetto like status) the integration process can be jeopardized<sup>16</sup>. The new immigrant religious institutions should promote dialogue with similar religious communities of the host society creating a bridging tool for

integration, avoiding marginalization and frustration that generate conflicts<sup>17</sup>.

Religious changes in subsequent generations. The so-called second and third generations of immigrants are born and raised in different settings from their parents<sup>18</sup>. They are educated in Western schools, influenced by secular and civil society practices and assimilate local cultures, while still maintaining their original ones. All that may determine major alterations or even abandonment of traditional religious practices in their community. Youth's natural dissatisfaction with conservative community leaders and religious teachers and the conflict between generations may aggravate this process.

The role of religious institutions in the sending and receiving countries. Churches in the sending and receiving countries both have various roles to play in the migration process, acting as a bridge between different cultures and communities, offering support and solidarity programs to help individuals, promoting a migration policy which respects human rights and non-discrimination<sup>19</sup>, warning and protecting against the human trafficking associated to the migration flows<sup>20</sup>. Acting as responsible parts of the organized civil society, the churches in the receiving countries should protect the human dignity, rights and religious freedom of the migrants and refugees. Many churches in Western countries promote support for migrants, such as programs on housing, education, counseling for migrants and refugees, language schools and courses for vocational training, legal assistance and enabling access to the labor market<sup>21</sup>. Religious associations are often involved in the process of migration itself, alongside cultural and work-related interest groups.

Government policy and the attitude of the receptor society towards immigrants' religion. The estimated 95 million migrants that go all over the world in search of a better life, carrying their religion and traditions with them, create potential conflicts with the way of life in the destination countries. As states handle the relationship with religion in different ways, the migrants coming from authoritarian religious countries may experience difficulties in the integration process in religious pluralistic countries, and governments are faced with the challenge of managing increasingly heterogeneous societies. Except for Buddhism, all religions exhibit a certain degree of intolerance, with Hinduism and Islam the less tolerant, and Catholicism and Protestantism at about the same level<sup>22</sup>. Nevertheless, some Christian-secular countries having large Islamic immigrant communities, such as Germany, which demonstrates that religious differences and successful integration are not contradictory<sup>23</sup>. Germany is a success story proving that problems may be prevented if migrants are provided adequate support in their integration efforts, and that the religious identity of minorities can be preserved by a strategy of cross-cultural education empowerment<sup>24</sup>. Sometimes a religious assimilation does take place, such as the inclusion of the Protestant Huguenots, the 17th and 18th century as refugees to England, or in the liberal Netherlands. The desire for social integration and social acceptance

may lead immigrants to religious conversion, mainly in subsequent generations.

The relationship with the homeland. As immigrants establish new relations into the receiving societies, they also remain linked to the sending community. Consequently, migration impacts not only the lives of the migrants themselves, but also the lives of the communities in places of origin. The existence of strong links of the immigrants with the homeland was long documented through the history of migration<sup>25</sup>. Although such connections are expected to fade in time in space, modern instant communication and fast travel create new forms of transnational links<sup>26</sup>, proved to be very resilient.

From an economic point of view, the strongest impact on sending countries is conveyed through remittances. Migration and remittances do undoubtedly relieve pressure on the sending countries, compensating for underemployment and generating new opportunities<sup>27</sup>, helping alleviate poverty and improving life in poor countries<sup>28</sup>. Such effects of migrant remittances are particularly important for Romania as, according to the World Bank data, it is on the 5th place in the European top of emigration countries<sup>29</sup> and on the 4th place as remittance recipient country<sup>30</sup> (\$4.5 bn of remittances in 2010, representing 4.4 percent of GDP in 2009). According to some experts, without remittances the current account deficits in Romania would have been over 50% higher.

Besides the economic effect of remittances, emigrants may also affect the development of religion in the homeland: the wealth, education and exposure to foreign influences transferred from Diaspora may have significant effects on organization, practice and even belief in the origin countries<sup>31</sup>.

Economic activity and religious rules. Economic inclusion is a key element in a successful integration, with religious affiliation as a relevant factor of influence (as it will be discussed in the next section). While the new environment opens up new career approaches and business development opportunities for the migrants, religious laws on work may also have a say. In some religions there are laws that influence the working conditions, the duration of the workday and free time, or impose clothing and food rules that prohibit believers to work in certain places<sup>32</sup>. Commerce and industry may also be influenced by specific consumer behaviors on religious grounds. Other sensitive questions regard the existence of different rules concerning women's work and the problem of equal rights for men and women at the workplace.

### ***Causal links between religious belief and economic performance***

Religion underpins the general set of beliefs of a society, shaping its values, customs and traditions which, in turn, define the behavioral patterns of individuals, including their economic behavior. Consequently,

religion based differences among countries and individuals may act as a major determinant of economic performance. In this respect, many scholars have argued that a country's ability in growing and competing internationally relies not only on economic, social, historic and environmental factors, but on cultural ones as well, with religion as a key component.

Religion reflects upon the economic life in a society through various channels such as the shared values and beliefs which further determine the efficiency of the decision-making process and thus economic outcomes; by impacting the attitude towards change and innovation, which is crucial to progress and to economic growth; by setting the social and economic objectives in accordance to the underlying values and religious beliefs of the society; by defining work ethics and moral equity, such as the obligation to provide for future generation.

Religion may have both positive and negative impact on the economic outcomes. On the positive side, religion can boost economic development by promoting a correct attitude toward work, honesty, and accumulation. At the same time, religion may encourage thrift, which would stimulate savings, investments and therefore economic growth. It can discourage criminal activities and diminish corruption, and may also improve trust, all bringing favorable effects on economic life. A tolerant religion welcomes foreigners, which may in turn trigger economic growth through foreign investments and immigrant work. By forbidding alcohol, drugs, gambling, etc and encouraging family life, religion favors a better health that contributes to higher labor productivity. On the negative side, there are religion based limitations on the pursue of profit, credit markets and capital accumulation, and some countries are redirecting substantial resources from the market economy towards religious goals (e.g. impressive constructions).

Weber's seminal work, *The Protestant Ethic and the "Spirit" of Capitalism*<sup>33</sup>, in 1905, was the first to acknowledge the importance of religion in understanding the economic success. He argued that the Protestant Reformation has brought about a mental revolution that made possible the rise of modern capitalism<sup>34</sup>. The Calvinist doctrine praising individual responsibility, labor as a moral duty, efficient activity, thrift, approved risk-taking, was seen as crucial for setting the right attitude towards economic activity, entrepreneurship and wealth accumulation in a capitalist context. Weber's critics did not reject religion's influence on economics, but rather contested his exclusive Protestant line of thought<sup>35</sup>. Critics stressed that Weber only captured the Protestants' view, omitting Catholics' essential contribution to the development of science<sup>36</sup> and their bigger wealth that stands as prove for economic success and material accumulation<sup>37</sup>. In the same line, Greif<sup>38</sup>, and soon after Lal<sup>39</sup> pointed to various ways in which Catholics prompted economic and social innovations in Europe. For instance, Pope Gregory I favored changes in family law, while Pope Gregory VII supported modern legal institutions.

In the 60th there was a second wave of studies on the economics of religion, including scholars who build on the role of religious affiliation as base for practices and institutions<sup>40</sup> that reflect upon economic performance. In the same line with Weber, but more moderate, Eisenstadt<sup>41</sup> assessed an indirect, weaker role of the Protestant religion in economic outcomes, stating that religion accounts for changes in the values and behaviors that redefine the political and social institutions, which in turn exert a “transformative potential” of the economy.

To sum up, researchers generally agree on the positive economic impact of all Christian religion. In opposition, Islamic countries’ slow economic development for most of millennium is considered to be largely determined by its system of religious beliefs. Among the world’s major religions, Islam seems to be the most economic underperforming, many scholars explaining the relative poverty of the Muslims (both at national and individual level<sup>42</sup>) through the existence of uniquely Islamic economic practices or institutions unfavorable to growth, such as the prohibition on the charging of interest, or the obligation to pay alms<sup>43</sup>. Moreover, Islam preaches fatalism which is opposite to entrepreneurship and growth<sup>44</sup>. For instance, the Islamic practices in force have long inhibited the commerce, until the introduction of new Western-inspired institutions in the Muslim world in the 19th century<sup>45</sup>. Through its care for social security, wealth taxation and immoral tax, Islam is more concerned with the redistribution of income, rather than mere economic growth.

Many studies that illustrate religion’s connections to economic performance build on the role of institutions in intermediating values and influencing economic outcomes<sup>46</sup>, on the grounds that the existence of a dominant religion or the existence of a state-supported religion is economically relevant<sup>47</sup>. A large part of these empirical studies is based on the World Values Survey data, but their results are mixed. Making use of such data, Guiso et al<sup>48</sup> highlighted religion based differences in the attitude toward private ownership, with Protestants, Catholics, and Hindus being more favorable, as compared to Muslims. They also found that Protestants and Hindus would accept a greater income inequality in exchange for growth, while Jews and Muslims will not. In opposition to Christian religion, that favors the development of market economy and efficient institutions, Islamic religious beliefs were found not conducive to growth. Noland’s findings<sup>49</sup> are questioning the robustness of such results on the basis that in the contemporary world the convergence in institutions and practices has mainly invalidated that influence.

Although supporting the existence of a religion - economy link, many empirical studies offer contradictory results when it comes to pointing to the religions that are conducive to growth. In a cross-country regression, Sala-i-Martin et al.<sup>50</sup> found Islam to be positively associated with income growth, while Barro et al.<sup>51</sup>, using similar methodology, but a smaller panel of countries, showed that Catholicism is positively correlated to economic growth, while Hinduism, Islam, Orthodox Christianity, and Protestantism are not. Grier’s study of former British,

French, and Spanish colonies indicated Protestantism as positively impacting growth and development<sup>52</sup>.

Barro and McCleary<sup>53</sup> found religious beliefs to be positively correlated with economic growth, while church attendance seems to be negatively correlated. Stulz and Williamson<sup>54</sup> also documented the influence of cultural values, including dominant religion as a key factor, on debt market and banking development. In line with Weber, they found creditor rights and enforcement to be more important in the Protestant countries.

From a methodological perspective, these empirical studies on religion economics fit into two large categories: cross-country regressions and separate analysis of individual countries, each line of research having both advantages and limitations. The cross-country regressions main problem is the existence of institutional differences among countries. This makes unclear whether the effect identified is solely caused by the dominant religion or by other factors linked to religious beliefs. At the micro level, separate analysis of individual countries rise problems with endogeneity (the correlations they identify may not be causal) and do not allow for generalization of results.

Researchers found that religion is a significant factor in explaining the economic success not only for countries, but for individuals as well. At an individual level, belonging to certain religions potentially entails economic advantages based on the reputational signal it provides for potential employers and customers, e.g. by inspiring trust (and consequently, diminished economic risk). Empirical studies confirmed that the economic behavior of individuals and their economic performance do correlate with religion: for instance, in the United States Jews have bigger incomes than Christians<sup>55</sup>.

Although religions are widely varying in practice, researchers generally agree on the existence of a causal link between religion and economic performance, both at individual and society level. Our paper aims at testing this hypothesis for the Romanian migrants belonging to different minority religions, as well as for the adherents of dominant Orthodox religion and for the non-religion group. There are only a few empirical studies that combine migration, religion and economic performance and, to the best of our knowledge, such research has not been undertaken so far in Romania.

## **Romanian religious context and research hypothesis**

### ***The Religious Demography in Romania.***

Romania is one of the most religious countries in Europe, according to recent evidence<sup>56</sup>. The World Values Survey 2005 also indicates high values of religiosity in Romania, situating it among the first European

countries, alongside predominantly Catholic countries: Malta, Poland and Ireland.

According to 2002 census<sup>57</sup> the *Orthodox* believers (including the Orthodox Serb Bishopric of Timisoara) are dominant in Romania, including as much as 86.7% of the country's population. The Christian faith has existed on this territory since the formation of Romanian people, as archaeology and linguistics prove<sup>58</sup>. Throughout their history, the Orthodox faith represented for Romanians an essential part of their national identity, as they had to resist foreign powers as the Ottoman Turks in Moldavia and Wallachia and the Hungarian rule in Transylvania. A religious revival took place after 1989 and the Romanian Orthodox Church became a constant advocate for religious solutions to various civil issues<sup>59</sup>.

Another Orthodox Church in Romania is the Lipovan Old Rite Christian Church (0.1 % of the population), including Russians who came in Tulcea and Braila counties in the first half of the 18th century due to persecution unleashed by the Russian Orthodox Church.

The Roman Catholicism accounts for 4.7% of the population, mainly of Hungarian ethnicity, even though there are also more than 300,000 ethnic Romanian Catholics in Transylvania. Catholicism was first introduced in our country in the 11th century, due to missionaries (Benedictine monks).

In 1698 a minority of Romanians in Transylvania became members of the Greek-rite Roman Catholics, thus obtaining equality of rights with Roman Catholics. According to Badescu<sup>60</sup>, in 1857, about half of the Romanians from Transylvania were Greek Catholics and the other half were of Orthodox denomination. In the same time, most of the non-Romanian inhabitants of Transylvania were Catholics and Protestants. The Greek Catholics represented in 2002 less than 1 percent of the population, located mainly in the northern part of Transylvania, and in Bucharest, Banat and Crisana as well. There are still unsolved problems concerning the restitution of Greek Catholic properties transferred to the Romanian Orthodox Church in 1948, during the communist regime.

The Protestant communities can be classified into historic Protestants and neo-Protestants According to Mojzes<sup>61</sup>, "the historic churches are the Hungarian Reformed, the Lutheran Church of the Augsburg Confession (largely German or Saxon), and the Unitarians (largely Hungarian). The neo-Protestant communities consisted largely of the Baptists, Pentecostals, Brethren (a government-coerced union of three smaller neo-Protestant groups), and Seventh-day Adventists". We use the denomination of neo-Protestants in the same sense as Mojzes, as a general description for newer Christian religions with Protestant roots that were introduced in Romania in late 19th-first half of 20th Century. In the same sense, this denomination is used in standard classification of religious affiliation by State Secretary for Cults<sup>62</sup> and in different scientific articles<sup>63,64</sup>. It seems important to mention that the term "Neo-protestant" is common in

Romanians' current speech, as well, being used in the same sense as previously described.

The Protestant and neo Protestant adherents account for 5.2% of the total Romanian population. The majority belongs to the Protestant Reformed Church- Calvinist (3.2%) and is located in Transylvania. Other Protestant Churches are: Unitarian Church of Romania (0.3%), Evangelical Church of Augustan Confession (0.2%)- German ethnicity and Evangelical Lutheran Church (0.1%) - Hungarian ethnicity. The smaller group of neo Protestants includes the Apostolic Church of God - Pentecostal Church (1.5%), Baptist Church (0.6%), and Seventh-day Adventist Church (0.4%).

The Romanian Evangelical Church is an evangelical Christian movement, born in 1920-1924 in Bucharest, that has no counterpart abroad. In 1939, they had to merge with Christian Evangelical Church (which came in Romania in the early 20th century). After December 1989, the two denominations functioned independently.

Jehovah's Witnesses include 0.2% of the population based on 2002 census.

Other smaller religious groups are also present in the country. *Armenian Apostolic Church* accounts to 0.1% of the population. Armenians settled in Transylvania since the 11th century where they found an atmosphere conducive to practice their traditional occupations in terms of religious tolerance. For about 700 years, Romania also has had a small *Muslim* minority (0.3%), mostly of Tatar and Turkish ethnicity, concentrated in Constanta and Tulcea counties. There are also approximately 6,000 *Jews* (mostly in Bucharest) and 23,105 people of no religion or atheist.

According to the US Department of State report on religious freedom 2010<sup>65</sup>, in Romania the government generally respected religious freedom in practice and minority religious groups had less complains than previously.

### ***Research hypothesis***

Religious affiliation is more and more viewed as an inherent, socially described characteristic similar to race or ethnicity. Because of this, religion has become an important variable of concern in studying labor discrimination<sup>66</sup>. Researchers have begun to examine how religious minority groups, in particular, experience an economic penalty or an economic advantage. It should be noted from the beginning that in this paper we do not separate in our econometric approach religious affiliation from religious participation, due to the lack of appropriate data.

Most of the studies consider emigrants as a minority observed from the perspective of the receiving countries. There are empirical studies that demonstrate an economic penalty for immigrants belonging to religious minorities in destination country. For instance, using data from Britain, Lindley<sup>67</sup> finds an Islamic penalty for employment and earnings controlling for migration status and race. This indicates the effect of religious affiliation is more similar than diverse across differing societies,

and through its comparative methodology, brings forward the hypothesis that religious minority immigrants are generally economically disadvantaged in the West.

In this paper we adopt a different perspective by analyzing Romanian emigrants' religious affiliation, separate from their religious minority or majority status in the receiving country (depending on the dominant religion existing in the destination country). We consider the Romanian emigrants from a large number of countries, observed through an on-line survey conducted in August-December 2010.

Our main hypothesis is that religious affiliation has a significant influence on economic performance of Romanian emigrants. We expect to find that migrants affiliated with a minority religious group (Neo-Protestants, Protestants or Catholic) have different economic outcomes compared to Orthodox immigrants, which is the religious majority in Romania. Considering that religion provides a motivation for helping others and immigrants remit for altruistic motives, we therefore hypothesize that immigrants who are religiously affiliated are more likely to remit.

## Data, methods and variables

### *Data and methods*

To compensate for the lack of official statistical data on the religious beliefs of Romanian migrants, an online survey was conducted during August-December 2010 and our present work builds on the resulting database. Respondents were asked questions on a variety of topics including income, employment, graduated studies both in Romania and in emigration country, length of migration, remittances and intention to return to Romania. Therefore, our survey represents a recent source of data on immigrant cohort and contains the necessary economic outcomes (i.e. employment, occupation, earnings and education) as well as necessary independent variables (i.e. religious affiliation) to test the influence of religious affiliation on migrants' economic performance. The final database consisted of 1514 respondents from more than 20 countries and is referred henceforth as Romanian Emigrants' Study (RES).

Separate multivariate models are estimated for income, income change and for the probability of remitting. Each multivariate regression equation includes religious affiliation and control variables. Linear regression was applied in the case of the first two outcome variables, income and income change. We employ a binary logistic regression model in order to identify the impact of religious affiliation factors on the probability of sending money to Romania. In our study, the binary dependent variable in regression model is whether a person is sending money to the home country or not (specifically 1 denotes that the individual is remitting and 0 otherwise).

By employing these methods, we are following the main methodological trends in recent literature. For instance, Sacerdote and Gleaser<sup>68</sup> apply regression analysis on religious beliefs and education, while Connor<sup>69</sup> applies logistic regression on income and employability of emigrants living in US.

### Variables involved in econometric analysis

*Effect variables.* Three variables are used to assess labor market insertion: present income (INCOME), the dynamic of present income compared to income at the first job in destination countries (INDEX) and the attitude towards remitting money to home country (REM). They are the dependent variables in our regression models.

Present income is the net monthly income at the moment of filling the questionnaire and is expressed in USD for comparability reasons. It is measured as a scale variable ranging from less than 500 USD to more than 5000 USD, with interval length of 500. Romanian emigration for labor is rather young and this fact is reflected by the great proportion of emigrants (90%) that emigrated less than 15 years ago. In this sense most of the Romanian emigrants are employed and they have an income. For this reason, we prefer to consider income level as the most appropriate outcome in our study, compared to other variables presented in the literature, such is employment<sup>70</sup>.

Religious affiliation has an impact not only on the present life of emigrants, but also on the whole course of his/her emigration experience. Therefore, we evaluate economic outcome of emigrant through the index of income, computed by dividing the present migrant's income to the income received in the first job in host country. Values higher than 1 for this index show an increase in income since the arrival in the host country (positive outcome), while values lower than 1 reflect a decrease in income (negative outcome).

Another economic result of migration is the remitter quality of migrants. This is measured as a binary variable: 1 if the migrant is sending money to Romania and 0 otherwise. Money sent by emigrants to their families is increasing their quality of life and has positive effects on the family relations. Remittances are also an important source of external funding for developing countries. They rank only behind foreign direct investment and are much higher in magnitude than total official development assistance and private non-FDI flows. Therefore, there can be identified an increasing interest in the literature in studying such aspects, and we consider remittances as being one of the positive outcomes of the economic activity of emigrants.

*Variables of interest.* The variable of interest in our research is religious affiliation, measured through a nominal variable. Religious affiliation initially considered in our research groupings were coded according to National Statistical Institute classification<sup>71</sup> and included

Romanian Orthodox, Roman Catholic, Calvin, Lutheran, Pentecostal, Baptist, Adventist, Greek Catholic-Uniate, Jewish, Islam, Atheist and No religion. These religions were further aggregated into the next seven categories (see Table 1): Romanian Orthodox, Catholic (Roman Catholic, Greek Catholic-Uniate), Protestant (Calvin, Lutheran), Neo-Protestant (Pentecostal, Baptist, Adventist and others), Jewish, Islam, and No religion (individuals that are atheist or without religion).

We treat the variable of interest as dummies, considering as the reference group the emigrants with no religious affiliation. All the results from regression model have to be considered relative to this reference group. In this sense, the analysis will reveal the economic advantages or disadvantages of belonging to a religious community.

Individuals who generally report “no religion” constitute a relatively heterogeneous group: it includes atheists, agnostics, and persons who were raised without an affiliation due to other circumstances (such as being a child from an inter-faith marriage). For this reason, many studies on religions have omitted this group; therefore, its addition in our study is a valuable contribution to better understanding the effects of religious affiliation on economic and demographic outcomes.

The “no religion” group is an important reference because there is a view in the literature<sup>72</sup> that religious people have characteristics that are often difficult to measure directly, but which make for better economic outcomes. On the other hand, in their study<sup>73</sup>, David Blackaby et al. find that non religious persons are significantly advantaged against other religions, while the overall message is that religion is equally as important as ethnicity in helping to explain employment rates in Britain.

According to some authors<sup>74</sup>, it is useful to think of the “no religion” category as one extreme in the religiosity scale. Thus the benefits that are typically associated with religious involvement are not available to the unaffiliated.

Following these reasons, we consider the “no religion” category as the reference group in our quantitative analysis, being supported in our decision by the important proportion of this category in the total number of emigrants from our sample (see Table 1).

Table 1. The distribution of Romanian migrants according to religious affiliation

Religion	Frequency	Percent	Cumulative Percent
Orthodox	1176	77,7	77,7
Catholic	82	5,4	83,1
Protestant	24	1,6	84,7
Neo-Protestant	81	5,4	90,0
Muslim	3	0,2	90,2
Mosaic	7	0,5	90,7
No religious affiliation	141	9,3	100,0
Total	1514	100,0	

Source: processed by the authors using RES data, 2010

The proportion of migrants with “no religion” or atheists in our survey is surprisingly high in the context of Romanian revival religiosity<sup>75</sup>. A similar situation was identified by Jasoo<sup>76</sup>, when studying skilled migrants from US. The largest group of skilled migrants according to religious affiliation is the no-religion category (27.6%).

*Control variables.* Socio-demographic predictors used as control variables include age (AGE), gender (GENDER), number of minor children living in receiving country (CHILD) and the last level of education attended (EDU). Education is a scale variable ranging from 1 to 7 and coded as follows: 1- primary school, 2- vocational school, 3-secondary education (high school), 4- second level of secondary education, 5-first level of tertiary education, 5- higher education, 6-master degree, 7-doctoral studies.

The level of integration in the labor market from receiving country is evaluated through the number of years spent in migration country (TIME). For the same purpose, we have also considered the education received by the emigrant in host country (EDU1), described in our models as dummy and coded with 1 if the emigrant has followed courses in the country of emigration and 0 otherwise. Additionally, the intention of returning to Romania (RETURN) was included in our econometric approach as a binary variable coded 1 if the emigrant has the intention to return and 0 otherwise.

Before moving onto multivariate analysis, it is useful to investigate whether economic outcomes are significantly different across religious groups. In this respect, descriptive statistics are presented in Table 2. The average income is 5.77, corresponding to an average monthly level of 2385 USD. Compared to this, the persons with “no religion” or atheist have the highest income, while the lowest income is obtained by Neo-Protestants and orthodox migrants. The change in income was positive for all religious groups, with the highest level in the case of “no religion” and the lowest in the case of Neo Protestants.

The highest percentage of remitting migrants is affiliated to Neo Protestants Churches, followed by those belonging to Orthodox Church. It seems surprising that the migrants with the highest income, those with no religious affiliation, have the lowest probability to remit.

Table 2. Descriptive statistics for the effect and control variables

Variables	Number of observations	Minimum	Maximum	Mean	Standard Deviation
AGE	1514	17	76	35.81	9.937
GENDER	1514	0	1	0.63	0.482
CHILD	677	1	5	2.01	0.843
EDU	1514	1	8	5.07	1.795

EDU1	1514	0	1	0.54	0.499
TIME	1514	1	61	7.42	6.611
RETURN	1514	0	1	0.33	0.471
INCOME	1514	1	11	5.77	3.110
INCOME_INDEX	1514	0.09	11.00	1.47	0.961
REMIT	1514	0	1	0.54	0.498

Source: processed by the authors using RES data, 2010

Given the wide distribution among these outcome variables and variables of interest (see standard deviations in Table 2), there is sufficient variation for further testing the association between economic outcomes and religion.

### Results and comments

The first model considers migrants' monthly income as being the effect variable. The model is statistically significant and explains in a good proportion the variability of income across migrants ( $R^2=0.24$ ). The dummies, explaining religious affiliation, are statistically significant for Orthodox and Catholic migrants.

Table 3. OLS regression coefficients for models 1 and 2

	MODEL 1 Effect variable: income		MODEL 2 Effect variable: income change	
	Unstandardized Coefficients		Unstandardized Coefficients	
	B	Std. Error	B	Std. Error
(Constant)	0.478	0.399	1.251 <sup>***</sup>	0.138
AGE	0.025 <sup>***</sup>	0.008	-0.002	0.003
GENDER	1.463 <sup>***</sup>	0.146	0.019	0.051
EDU	0.551 <sup>***</sup>	0.040	0.014 <sup>*</sup>	0.014
EDU1	0.851 <sup>***</sup>	0.144	0.203 <sup>***</sup>	0.050
TIME	0.082 <sup>***</sup>	0.013	0.023 <sup>***</sup>	0.004
<b>RELIGIOUS AFFILIATION( "no religion"- reference group)</b>				
Orthodox	-0.417 <sup>*</sup>	0.236	-0.073	0.082
Catholic	-0.708 <sup>*</sup>	0.373	-0.060	0.130
Protestant	-0.699	0.600	-0.412 <sup>*</sup>	0.208
Neo-protestant	-0.320	0.376	-0.009	0.130
N	1514		1514	
R <sup>2</sup>	0.248		0.113	
Durbin-Watson test	1.989		2.015	

Significance: \*\*\*p<.01; \*\* p<.05; \* p<.10

Source: processed by the authors using RES data, 2010

The emigrants' belonging to all religious groups are exhibiting lower outcomes in terms of income, compared to migrants with "no religion". All regression coefficients for religion affiliation variables are negative. Therefore, the persons who are not religiously affiliated are better off compared to religious persons. The influence of religion on income is statistically significant in the case of Orthodox and Catholic migrants, while for the Protestants and Neo-Protestants the level of significance is lower. The results of the regression model 1 presented in table 3 show that Neo-protestants, followed by Orthodox, have the lowest penalty of religious affiliation on income, while the Catholics have the highest penalty of religion on income, compared to migrants who are not religiously affiliated.

All control variables are statistically significant in the first regression model, gender having the highest impact; income is 1.4 times higher in men's case, compared to female.

The outcome variable in the second model is the change in income. In this respect, we have computed the income index by comparing the migrant's income in the moment of filling the questionnaire with the income received at the first job in the destination country. The income index is explained by religion to a lower extent, compared to the variable income in the previous regression, the model being statistically significant. At the same time, all regression coefficients for interest variables are negative and therefore the variation in income is lower for each religious group compared to "no religion" group of migrants. We conclude that persons with no religious affiliation have better results in terms of income change compared all other religious groups. If we compare these groups, we notice that Protestants have the lowest economic effect, while Neo-protestants have the highest economic effect, meaning the lowest penalty in respect with the persons not religiously affiliated.

The results from the quantitative analysis are reflecting the existence of a significant gap in terms of economic outcomes of Romanian migrants between those affiliated to a religion and those unaffiliated. More than that, there are important differences in economic effects between religious groups. It is important to notice that religious minorities in the sending country- Romania- such as the Neo-Protestants have the lowest penalty in receiving country. As it was emphasized by Sandu<sup>77</sup>, religious minorities in Romania are better organized and benefit from a better network compared to the Orthodox Church. Our findings support the idea that Romanian emigrants "import" the religious networks in their receiving country, using it to increase and improve their economic status, in the context of a lower education compared to other religious groups.

Following the objectives of our research, the next question we consider is if Romanian emigrants with different religious affiliations differ in their remitting behavior, compared to the "no religion" group.

While the literature on the determinants of remittances is well documented and there are several studies on religiosity and social behaviors, there is little empirical evidence on the relationship between religious affiliation and remittances sending propensity. Based on the assumption that religion provides a motivation for helping others and immigrants remit for altruistic motives, we expect religiously affiliated immigrants to be more likely to remit.

**Table 4. Logistic regression coefficients for model 3**

MODEL 3	B	S.E.	Exp(B)
<b>Effect variable: remitting decision</b>			
AGE	0.019*	0.010	1.019
GENDER	-0.228	0.186	0.796
CHILD	-0.215**	0.100	0.806
TIME	-0.037**	0.013	0.963
EDU	-0.209***	0.053	0.812
INCOME	0.157***	0.032	1.170
RETURN	0.791***	0.185	2.205
<b>RELIGIOUS AFFILIATION (“no religion”- reference group)</b>			
Orthodox	0.344	0.302	1.410
Catholic	0.247	0.450	1.280
Protestant	1.536*	0.920	4.648
Neo-Protestant	0.542	0.426	1.720
Constant	-0.158	0.569	0.854
No. of observations	1514		
Nagelkerke R Square	0.114		
Cox & Snell R Square	0.09		
Hosmer-Lemshow-test	0.397		

Significance: \*\*\*p<.01; \*\* p<.05; \* p<.10

Source: processed by the authors using RES data, 2010

We employ logistic regression in order to answer this research question. The variable of interest - religious affiliation- is maintained the same as in the previous two cases, while the control variables have been reconsidered. We introduce new control variables -described in section 4.2.-consistent with the existing literature on remittances<sup>78</sup> in order to better support our objectives. With the exception of gender, all the control variables are significant with standard significance level (see Table 4).

Our results from the logistic regression analysis indicate at the first glance that immigrants with different religious affiliations do differ in their remitting behavior. All religious groups have higher probabilities to remit compared to the “no religion” group. Protestants have the probability to remit four times higher compared to the “no religion” group, while Neo-protestants have a 1.7 times higher probability. For the *Journal for the Study of Religions and Ideologies*, vol. 10, issue 30 (Winter 2011)

Orthodox the value is 1.4, while for Catholics is 1.2, as the odd ratios presented in Table 4 are indicating.

This is in line with our expectations and it is a strong argument in supporting the hypothesis that emigrants belonging to a religious group are more likely to remit. The model is statistically significant and has a good level of explanation of the probability to remit, though “Protestant” is the only statistically significant interest variable.

## Conclusions and directions for further research

A significant part of the rich literature on migration has addressed the impact of religion on the international migration, such as the socio-economic and religious inclusion of the immigrants in the host country. We consider the empirical dimension of this topic, making use of various statistical methods to test the assumption that religious belief is reflecting upon the behavior and economic performance of Romanian migrants.

This paper contributes to the literature by providing a quantitative analysis of the economic outcomes of immigrants and religion. Therefore, we provide insightful addition to the traditional analysis of migration and remittances by including religion, in a regression framework, as one of the explaining factors that allow for understanding the economic success of Romanian international migrants. More specifically, the paper examines whether the socio-demographic variables and immigrant’s religious affiliation are important determinants of income, income change and remittance behavior. We analyze emigrants from the sending country perspective- Romania- and in this sense we propose a new approach compared to the present literature which is based on data coming from receiving countries. We exploit a new data source on migration, the Romanian Emigrants Study (RES) database resulted after an online survey, developed during the research project *The Effects of Labor Force Migration and Demographical Structural Changes on Dynamic Economies*.

In order to obtain a more comprehensive picture of the impact of the religious faiths on the economic performance in a migration context, we have developed three regression models. The results allow us to conclude that membership to any religion group is negatively affecting income, which is decreasing by different intensities, compared to the “no religion” group. Furthermore, persons with no religious affiliation have the better results in terms of income change, compared to all other religious groups. Comparisons across these groups indicate that Protestants have the lower effect, while Neo-protestants have the highest effect, meaning the lowest penalty in respect with the no religiously affiliated persons.

The results stemming from the logistic regression indicate that immigrants from different religious affiliations do differ in their remitting behavior. All religious groups have higher probabilities to remit compared to the “no religion” group. Protestants have the probability to remit four times higher compared to the “no religion” group, while Neo-protestants

have a probability to remit 1.7 times higher. In the case of Orthodox migrants the value is 1.4 and for Catholics is 1.2.

To conclude, through this paper we identified significant differences in economic outcomes of Romanian emigrants, according to their religious affiliation. One important finding is that in the case of persons with no religion or atheists, the economic outcome is higher, compared to those that are members of religious communities, but their probability to remit is lower. The higher level of education achieved by this “no religious” group compared to all other religious migrants might be one explanation of the results; this is one path to be followed in our further research on this topic.

Our work opens the door for other future research opportunities in this field. One promising line of research would be to extend the analysis by including more religion variables in the regression equation in order to discriminate between different channels through which religion impacts Romanian migrants’ behavior and economic success. From a methodological point of view, we intend to refine the analysis from a regional perspective, using the territorial data available in our database by means of spatial regression methods. This will allow us to account for the regional distribution of Romanian immigrant communities, some of which were established on religious grounds, as religion frequently acts as a pull factor for international migration of Romanian religious minorities.

#### Notes:

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<sup>2</sup>IOM, “Final Report of the Conference Migration and Religion in a Globalized World”, [http://iom.int/jahia/webdav/shared/shared/mainsite/policy\\_and\\_research/rcp/5+5/Report\\_Migration\\_&\\_Religion\\_Rabat\\_2005\\_FR+EN.pdf](http://iom.int/jahia/webdav/shared/shared/mainsite/policy_and_research/rcp/5+5/Report_Migration_&_Religion_Rabat_2005_FR+EN.pdf) (accessed April 11, 2011); see also the forthcoming joint international multidisciplinary conference on Global Migration and Multiculturalism: “Religion, Society, Policy and Politics” at the University of Surrey, <http://www3.surrey.ac.uk/Arts/CRONEM/> (accessed February 11, 2011).

<sup>3</sup> See Peter Kivisto and Dag Blanck (eds.), *American Immigrants and Their Generations*, (Urbana: University of Illinois Press, 1990); William Herberg, *Protestant-Catholic-Jew: An essay in American religious sociology*, (New York: Doubleday, 1955), Maichel Gordon, *Assimilation in American life: the role of race, religion and national origins*, (Oxford: Oxford University Press, 1964).

<sup>4</sup> For instance, in response to such tensions in immigration policy a panel, co-sponsored with the Institute for the Study of International Migration, addressed

the religious dimension of immigrant integration, particularly the impact of immigrants on religious diversity in the United States and the relationship between immigrants and mainstream religious denominations. See Berkley Center for Religion, Peace and World Affairs, "Religion, Migration, and Foreign Policy: Tensions in Immigration and Immigrant Integration", (March 14, 2008), <http://berkeleycenter.georgetown.edu/events/religion-migration-and-foreign-policy-tensions-in-immigration-and-immigrant-integration>.

<sup>5</sup> Sabina Zaccaro, "Migration of Religion Can Work Both Ways", Interview with Peter Schatzer from International Organisation for Migration, *IPS-Inter Press Service News Agency Rome* (September 11, 2007), <http://ipsnews.net/news.asp?idnews=39219> (accessed May 1, 2011).

<sup>6</sup> Martin Baumann, "Religion und ihre Bedeutung für Migranten. Zur Parallelität von „fremd“-religiöser Loyalität und gesellschaftlicher Integration" in *Religion - Migration - Integration*

*in Wissenschaft, Politik und Gesellschaft*, (Berlin, Bonn: Satz und Druck, 2004), 19-30.

<sup>7</sup> Stephen R. Warner and Judith G. Wittner, eds. *Gatherings in Diaspora: Religious Communities and the New Immigration*, (Philadelphia: Temple University Press, 1998), 3.

<sup>8</sup> See for instance Raymond Bradey Williams, *Religions of Immigrants from India and Pakistan: New Threads in the American Tapestry*, (Cambridge: Cambridge University Press, 1988), 11.

<sup>9</sup> Catholica, "Fenomenul migrației din parohii: șanse, probleme și perspective pastorale", <http://www.catholica.ro/2005/08/24/fenomenul-migratiei-din-parohii-sanse-probleme-si-perspective-pastorale/> (accesed January 23, 2011).

<sup>10</sup> Kemal Karpat, "The hijra from Russia and the Caucasus" in Dale Eickelman and James Piscatory (eds.), *Muslim Travellers*, (Berkeley: University of California Press, 1990), 132-135.

<sup>11</sup> Gary D. Bouma (ed.), *Many Religions, All Australians. Religious Settlement, Identity and Cultural Diversity*, (Kew, Victoria: The Christian Research Association, 1996); Kim Knott, "The Religions of South Asian Communities in Britain", in *A New Handbook of Living Religions*, ed. John Hinnells (Oxford: Oxford University Press, 1997), 756-774.

<sup>12</sup> Charles Hirschman, "The Role of Religion in the Origin and Adaptation of Immigrant Groups in the United States", *International Migration Review*, 38, 3 (September 2004): 1126-1159.

<sup>13</sup> Raymond B. Williams, "Sacred threads of several textures", in Raymond B. Williams (ed.), *A Sacred Thread: Modern Transmission of Hindu Traditions in India and Abroad*, (Chambersburg: Anima, 1992), 228-257.

<sup>14</sup> John Rex, Danièle Joly. Czarina Wilpert (eds.), *Immigrant Associations in Europe*, (Aldershot: Gower, 1987).

<sup>15</sup> Steven Vertovec, "Religion in Migration, Diasporas and Transnationalism", (Vancouver Center of Excellence: Working Paper Series, no.02-07, 2002), 15.

<sup>16</sup> Annemarie Dupré, "What role does religion play in the migration process?", in *Migration and Religion in a Globalized World*, (Rabat: IOM, 5-6 December 2005), 4.

<sup>17</sup> Dupré, 5.

<sup>18</sup> Peter Jackson and Eleanor Nesbitt, *Hindu Children in Britain*, (Stoke-on-Trent: Trentham. 1993).

<sup>19</sup> Dupré, 8.

<sup>20</sup> Zizi Goschin, Daniela L. Constantin and Monica Roman, “ The Partnership Between the State and the Church Against Trafficking in Persons ”, *Journal for the Study of Religions and Ideologies*, vol. 8 issue 24 (Winter 2009): 231-256.

<sup>21</sup> Dupré, 11.

<sup>22</sup> See the work of David Landes, *The Wealth and Poverty of Nations*, (London: Little, Brown, and Company, 1998).

<sup>23</sup> Baumann, 24.

<sup>24</sup> Gritt Klinkhammer, “Religion – Migration – Integration – eine Einführung” in *Religion – Migration – Integration in Wissenschaft, Politik und Gesellschaft*, (Berlin, Bonn: Satz und Druck, 2004), 12-18.

<sup>25</sup> For example, as long as one hundred years ago, immigrants to the United States maintained contact with relatives in their origin countries, remitted money, and even supported homeland political groups. See Nancy Foner, “What’s new about transnationalism? New York immigrants today and at the turn of the century”, *Diaspora*, 6, 3 (March 1997): 355-75.

<sup>26</sup> Foner, 369: “Modern technology, the new global economy and culture, and new laws and political arrangements have all combined to produce transnational connections that differ in fundamental ways from those maintained by immigrants a century ago.”

<sup>27</sup> Sarah Gammage, “Exporting People and Recruiting Remittances: A Development Strategy for El Salvador?”, *Latin American Perspectives*, 33, 6 (November 2006): 75-100.

<sup>28</sup> See Dilip Ratha, *Understanding the importance of remittances*, ( Washington: Migration Policy Institute, World Bank, 2004), and Ronald Skeldon, „On Migration and the Policy Process”, Sussex Centre for Migration Research Working Paper T20, 2007.

<sup>29</sup> World Bank, “Migration and Remittances Factbook 2011”

<http://siteresources.worldbank.org/INTLAC/Resources/Factbook2011-Ebook.pdf>, 26 (accessed May 1, 2011).

<sup>30</sup> World Bank, “Migration and Remittances Factbook 2011”, 17.

<sup>31</sup> Vertovec, 18.

<sup>32</sup> Dupré, 3.

<sup>33</sup> Max Weber, *Die Protestantische Ethik und der Geist des Kapitalismus*, (1905), *The Protestant Ethic and the spirit of Capitalism*, translated by Talcott Parsons ed., (London: Allen and Unwin, 1930).

<sup>34</sup> Laurence R. Iannaccone, “Introduction to the Economics of Religion”, *Journal of Economic Literature*, 36, 3 (June 1998): 1465-1496.

<sup>35</sup> In this respect, Samuelsson and Tawney shed light on the many capitalist institutions that preceded the Protestant Reformation. See Kurt Samuelsson, *Religion and Economic Action: The Protestant Ethic, the Rise of Capitalism, and the Abuses of Scholarship*, (Toronto: University Toronto Press, 1993) and Richard H. Tawney, *Religion and the Rise of Capitalism*, (New York: Harper and Row, 1926).

<sup>36</sup> In Niles Hansen, “The Protestant Ethic as a General Precondition for Economic Development”, *The Canadian Journal of Economics and Political Science*, 29, (May 1963): 462-474 it is emphasized that Catholics had a crucial contribution to the development of science in general, while Protestants were only interested in applied science able to increase the labor productivity.

<sup>37</sup> In Netherland, for instance, Catholic families were wealthier compared to the Protestant ones.

<sup>38</sup> See Avner Greif, “Cultural beliefs and the organization of society: A historical and theoretical reflection on collectivist and individual societies”, *Journal of Political Economy*, 102, 5, (October 1994): 912–950.

<sup>39</sup> Deepak Lal, *Unintended consequences: The impact of factor endowments, culture, and politics on long-run economic performance* (Cambridge: MIT Press, 1998).

<sup>40</sup> For instance, in Everett E. Hagen, *On the Theory of Social Change*, (Homewood, IL: Dorsey Press, 1962), Bert F. Hoselitz, *Sociological Aspects of Economic Growth*, (Glencoe, IL: Free Press, 1960) and David C. McClelland, *The Achieving Society*, (New York: The Free Press, 1961) it is argued that changes in beliefs and innovative attitudes have a crucial role to play in the process of modernization of traditional societies.

<sup>41</sup> Shmuel Noah Eisenstadt, *The Protestant Ethic and Modernization: A Comparative View*, (New York: Basic Books, 1968).

<sup>42</sup> Surjit S. Bhalla, *Imagine there's no country: Poverty, inequality, and growth in the era of globalization*, (Washington: Institute for International Economics, 2002).

<sup>43</sup> Timur Kuran, “Islamic redistribution through Zakat: Historical record and modern realities”, in *Poverty and charity in Middle Eastern contexts*, eds. Michael Bonner, Mine Ener and Amy Singer (Albany, NY: State University of New York Press, 2003), 275–294.

<sup>44</sup> Edward Said, *Orientalism*, (New York: Pantheon Books, 1978).

<sup>45</sup> Timur Kuran, “The economic ascent of the Middle East’s religious minorities: The role of Islamic legal pluralism”, *Journal of Legal Studies*, 33, (June 2004): 475–515.

<sup>46</sup> Timur Kuran, “The Islamic commercial crisis: Institutional roots of economic underdevelopment in the Middle East”, *Journal of Economic History*, 63, 2 (June 2003): 414–446.

<sup>47</sup> Robert J. Barro and Rachel M. McCleary, “Religion and economic growth across countries”, *American Sociological Review*, 68, 5 (October 2003): 760–781.

<sup>48</sup> Luigi Guiso, Paola Sapienza, and Luigi Zingales, “People’s opium? Religion and economic activities”, *Journal of Monetary Economics*, 50, 1, (January 2003): 225–282.

<sup>49</sup> Noland Marcus, “Religion and Economic Performance”, *World Development*, Elsevier, 8, (August 2005): 1215–1232.

<sup>50</sup> Xavier Sala-i-Martin, Gernot Doppelhofer and Ronald I. Miller, “Determinants of long-run growth: A Bayesian averaging of classical estimates (BACE) approach”, *American Economic Review*, 94, 4, (April 2004): 813–835.

<sup>51</sup> Barro, 771.

<sup>52</sup> Robin Grier, “The Effect of Religion on Economic Development: A Cross-National Study of 63 Former Colonies”, *Kyklos*, 50, 1, (January 1997): 47–62.

<sup>53</sup> Robert J. Barro and Rachel M. McCleary, “Religion and Political Economy in an International Panel”, *NBER Working Paper*, 8931, May 2002.

<sup>54</sup> Rene M. Stulz and Rohan Williamson, “Culture, openness, and finance”, *Journal of Financial Economics*, 70, 3, (March 2003): 313–349.

<sup>55</sup> Barry R. Chiswick, “The Earnings and Human Capital of American Jews”, *Journal of Human Resources* 18, 3, (March 1983): 313–336 argues that the main explanation to this lies in Jews’ higher education level. Reuven Brenner and Nicholas M. Kiefer, “The Economics of the Diaspora. Discrimination and Occupational Structure”, *Economic Development and Cultural Change*, 29, 3 (1981): 517–534 also emphasize that Jews’ long history of persecution determined them to value education more than the insecure material belongings.

- <sup>56</sup> Malina Voicu and Bogdan Voicu (eds), *The values of Romanians*, (Iasi: Institutul European, 2008).
- <sup>57</sup> INS, "Recensământ 2002. Rezultate: Populația după religie", 2002 Census official site (accessed January 26, 2011).
- <sup>58</sup> Petre P. Panaitescu, *Istoria Românilor* ("History of the Romanians"), (Bucharest, 1942).
- <sup>59</sup> Lavinia Stan and Lucian Turcescu, "The Romanian Orthodox Church and Post-Communist Democratization," *East European Perspectives*, 3, 5 (March 2001) <http://www.rferl.org/content/article/1342525.html> (accessed February 1, 2011).
- <sup>60</sup> See Gabriel Bădescu "Historical and cultural borderlines in eastern Europe" in *Democracy and Political Culture in Eastern Europe*, ed. Hans-Dieter Klingemann. (Routledge, 2006), 85-98.
- <sup>61</sup> See Paul Mojzes, "Religious Topography of Eastern Europe", *Journal of Ecumenical Studies*, 36, 1-2 (Winter-Spring, 1999): 7-43.
- <sup>62</sup> See the site of the State Secretariat for Cults, [www.culte.ro](http://www.culte.ro) (accessed August 20, 2011)
- <sup>63</sup> Sorin Gog, "The institutionalization of confessional education: religious values in the neo-protestant high-schools", *Studia Universitatis Babeș-Bolyai Sociologia*, 2, (2007): 77-89.
- <sup>64</sup> The online encyclopedia Wikipedia is quoting Sabrina P. Ramet, "Religious Change and New Cults", in *Social currents in Eastern Europe: the sources and consequences of the great transformation*. (Durham, North Carolina: Duke University Press, (1995), 163. We found a broader approach: „conversion from a traditional church to a "neo-Protestant" church (chiefly Baptists, Pentecostals, Plymouth Brethren, Congregationalists, Mormons, Seventh-Day Adventists, Nazarenes, and Jehovah's Witnesses).”
- <sup>65</sup> US Department of State, "International Religious Freedom Report, 2010 – Romania" <http://www.state.gov/g/drl/rls/irf/2010/148975.htm> (accessed February 3, 2011).
- <sup>66</sup> Chi-Chen Huang and Brian H. Kleiner, "New developments concerning religious discrimination in the workplace", *International Journal of Sociology and Social Policy*, 21, 8/9/10 (2001): 128-136.
- <sup>67</sup> Joanne Lindley, "Race or religion? The impact of religion on employment and earnings of Britain's ethnic communities", *Journal of Ethnic and Migration Studies*, 28, 7, (July 2002): 427-442.
- <sup>68</sup> Bruce Sacerdote and Edward Glaeser, "Education and religion", *NBER Working Paper* 8080, (January 2001): 1-53.
- <sup>69</sup> Phillip Connor, "Religion as resource: Religion and immigrant economic incorporation", *Social Science Research*, 40,5 (September 2011): 1350-1361.
- <sup>70</sup> Phillip Connor, 63.
- <sup>71</sup> See INS, <http://www.insse.ro/cms/files/RPL2002INS/vol1/tabele/t48.pdf> (accessed February 20, 2011)..
- <sup>72</sup> See, for instance, Robert J. Barro and Rachel M. McCleary, "Religion and Political Economy in an International Panel", *NBER Working Paper*, 8931, May 2002.
- <sup>73</sup> See David Blackaby et al., "The Religious Dimension to Ethnic Disadvantage in Great Britain.", Working Paper in Economics, School of Business and Economics, Swansea University, (June 2010): 1-41.

<sup>74</sup> Evelyn L Lehrer, "Religion as a Determinant of Economic and Demographic Behavior in the United States". *IZA Discussion Paper* No. 1390. (November 2004): 1-47.

<sup>75</sup> Evelyn L Lehrer, 55.

<sup>76</sup> Guillermina Jasso, "Ethnicity and the Immigration of Highly Skilled Workers to the United States". *IZA Discussion Paper* 3950 (January 2009): 1-38.

<sup>77</sup> In Dumitru Sandu, *Comunitati romanesti in Spania*, (Bucharest: Soros Foundation, 2009), [http://www.soros.ro/ro/comunicate\\_detaliu.php?comunicat=85#](http://www.soros.ro/ro/comunicate_detaliu.php?comunicat=85#) (accessed February 1, 2011) it is noticed that "Many (migrants) have converted to another religious confession, for reasons such as: support in finding a job, a house etc."

<sup>78</sup> Monica Roman, Bogdan Ileanu and Mihai Roman, "A comparative analysis of remittance behaviour between East European and North African migrants" in *International Conference on Eurasia Economies*, (Istanbul: T.C. Beykent University, 2010).

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