

RESEARCH ARTICLE

Institutions, the social capital structure, and multilevel marketing companies

Jordan K. Lofthouse^{1*} and Virgil Henry Storr²

¹The Mercatus Center at George Mason University, Arlington, Virginia, USA and ²Department of Economics, George Mason University, Fairfax, Virginia, USA

*Corresponding author. Email: jlofthouse@mercatus.gmu.edu

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Abstract

In multilevel marketing companies (MLMs), member-distributors earn income from selling products and recruiting new members. Successful MLMs require a social capital structure where members can access and mobilize both strong and weak social ties. Utah has a disproportionate share of MLM companies located in the state and a disproportionate number of MLM participants. We argue that Utah's dominant religious institutions have led to the emergence of a social capital structure, making MLMs particularly viable. Utah is the most religiously homogeneous state; roughly half its population identifies as members of the Church of Jesus Christ of Latter-day Saints (LDS Church). The LDS Church's institutions foster a social capital structure where (almost all) members have access to and can leverage social capital in all its forms. LDS institutions encourage members to make meaningful social connections characterized by trust and reciprocity with other church members in local neighborhoods and across the world.

Key words: Social capital; multilevel marketing; network marketing; Mormon church; LDS church; MLM

1. Introduction

In multilevel marketing companies (MLMs), also known as network marketing or direct selling, member-distributors earn income both from selling products and recruiting new members (Liu, 2018; Sparks and Schenk, 2001). To be successful, existing member-distributors must continually recruit new member-distributors from among their social connections who have largely distinct, non-overlapping social networks. Thus, successful MLMs depend on the existence of a social capital structure where members can access and mobilize both strong and weak ties.

MLMs are enticing employment opportunities because they can provide flexible employment for individuals who have limited options, such as stay-at-home parents. They also provide opportunities for supplemental income. MLMs claim to reward individual achievement and celebrate an American-Dream-style opportunity of prosperity (Jain *et al.*, 2015; Schiffauer, 2018). Similar to any enterprise, participants engage in risk, and there is no guarantee that distributors in MLMs will make profits. Many MLMs, however, have been criticized for being similar to pyramid schemes, which results in the majority of participants making negative profits (FTC, 2009; Keep and Vander Nat, 2014).

Despite the risks, MLMs are a popular form of enterprise in Utah, which has become a hub for MLMs (Canham, 2011; Lindsey, 2016; Mencimer, 2012; Team Business for Home, 2017). Major MLMs based in Utah include Nu Skin, USANA Health Sciences, doTerra, Nature's Sunshine, Young Living, Neways International, LifeVantage, ARIIX, 4Life Research, Forever Green, ASEA, Max International, Zija International, Morinda, Inc., Agel Enterprises, Perfectly Posh, Liv International, MojiLife, Ludaxx, Younique, Close to My Heart, Thrive Life, Jamberry, Unicity

International, MonaVie, XanGo, Stampin' Up, and Q Sciences. These Utah-based companies sell a variety of goods, including personal care products, dietary supplements, health products, essential oils, cleaning products, cosmetics, scrapbooking supplies, emergency preparedness supplies, and fingernail wraps, among others.

Evidence suggests that Utah has a disproportionate share of MLM companies located in the state and a disproportionate number of Utah residents participating in the companies. Utah County, which is home to the city of Provo and Brigham Young University, for instance, has the highest concentration of MLM companies in the United States. Additionally, surveys have shown that approximately 5 to 6% of Utah households are participating as MLM distributors at any given time. Moreover, roughly one in five Utah households has participated in an MLM at some point during their lifetime (Taylor, 2004). For comparison, roughly one in 13 adults in the United States has participated in at least one MLM during their lifetime (DeLiema *et al.*, 2018). A randomized survey of MLM consumers in Utah County found four MLM distributors to every MLM customer who was not a participant, and Utah County has approximately one MLM for every 17,813 persons (Taylor, 2012: 56).

The popularity of MLMs in Utah raises a number of questions. Specifically, what explains the prevalence of and high participation rates in MLMs in Utah? Do religious institutions and social capital structures play a role in explaining the popularity of MLMs in the state? Our argument is that the unique and dominant religious institutions Utah have led to the emergence of a social capital structure that makes MLMs particularly viable. Utah is the most religiously homogeneous state. In 2018, 47% of the state's population identified as members of the Church of Jesus Christ of Latter-day Saints (hereafter, LDS Church), also known as the Mormon Church (PRRI, 2018). Utah also has one of the highest religious participation rates and has a relatively high proportion of women outside the traditional labor force (Liu, 2018). Due largely to this religious homogeneity and high participation rates, Utah ranks first within the United States on social capital by some measures ('The Geography of Social Capital in America', 2018). In Utah, the ubiquitousness of Mormon institutions fosters a social capital structure where (almost all) members have access to social capital in all its forms – bonding, bridging, and linking. The LDS Church's institutional rules strongly encourage members to make close social bonds with their neighbors and also to make meaningful connections characterized by trust and reciprocity with other church members in their region and across the world. Thus, the LDS-based social capital structure is conducive to successful MLMs because broad networks of social connections allow the member-distributors to sell products and recruit new members more effectively and efficiently. This LDS Church-centered social capital structure, we believe, helps explain the disproportionate prevalence of and participation in MLM businesses in Utah. It is important to note that we are not trying to argue that MLMs thrive more and should be expected to thrive more in Mormon communities than non-Mormon communities. Ours is not a comparative exercise. Instead, we are trying to explain what about Utah, in particular, makes it a fertile ground for MLMs. Stated another way, successful MLMs require the existence of a social capital structure where members can access and mobilize both strong and weak ties. We are explaining why and how this kind of social capital structure exists in Utah by pointing to how the impact of the institutional structures within LDS Church.

To make our argument, we focus on how LDS Church institutions are highly effective at fostering a complex structure of bonding, bridging, and linking social capital that is conducive to successful MLMs. First, LDS institutions encourage bonding social capital, which is tight-knit connections within a relatively small group or community. Bonding social capital is formed in local congregations, called wards, which are determined geographically and capped at roughly 350 people. Church members are expected to attend their assigned ward's weekly meetings. Each church member is given responsibilities to visit assigned members of their ward in a 'ministering' program, and nearly all ward members are assigned 'callings', which are responsibilities to oversee some function of the ward. Any particular assignment typically lasts for a few years before receiving a new one, allowing each member to create thick social connections with a wide variety of members in their ward.

Second, LDS institutions promote bridging social capital, which describes connections across communities. The nested structure of LDS Church hierarchy allows members in one ward to have social

connections with members in other wards because wards are nested in ‘stakes’, and stakes are nested in ‘areas’. Stake leaders also extend callings to a subset of church members for a few years, which allows those members to create bridging social capital across wards within a stake. Many church members also attend church-owned universities and serve 2-year proselytizing missions across the globe, which facilitate ties between various groups of Mormons that are not directly connected in a ward.

Third, LDS institutions encourage linking social capital, which is the vertical connections in a hierarchy. The LDS Church’s polycentric structure of nested levels facilitates linking social capital because people at the ward level can form connections with church leaders through the strict hierarchy of the church’s organizational structure. Church members are expected to meet with their local bishop and stake president for a one-on-one interview several times a year. Additionally, members who serve missions generally develop close personal relationships with their mission president, who has direct connections to high-level church leaders. These connections to people in leadership positions allow members to expand their social networks through the interconnected nature of the church’s polycentric organizational structure.

This paper fills at least three gaps in the literature on institutions, social capital, and MLMs. First, it explores how particular institutions shape social capital structures. As Chamlee-Wright (2008) argues, social capital is structural in nature because it is heterogeneous and multi-specific and cannot be reduced to a single measurable stock. Chamlee-Wright and Storr (2011) also argue that institutional environments shape and shift the social capital structure in post-disaster situations. We synthesize these lines of reasoning by examining how LDS institutions shape the particular social capital structures in Utah. The theoretical relationship between institutional rules and social capital structures is generalizable to many other scenarios. Second, this paper articulates how MLMs are connected to and dependent on social capital. Lin (2007), for instance, demonstrates that Chinese immigrants in North America have used social capital in network marketing organizations. The academic literature, however, has underexplored the theoretical connections between successful MLMs and social capital. This paper attempts to more clearly examine and articulate those connections. Third, this paper helps explain why MLMs are especially prevalent in Utah. Many news organizations and journalists have speculated about the prevalence of MLMs in Utah, but academic work in this area is limited (see Canham, 2011; Lindsey, 2016; Mencimer, 2012; Team Business for Home, 2017). This paper is, according to our knowledge, the first academic examination of how Utah’s religious institutions and social capital structures affect MLMs. This contribution is important because of the contested and controversial nature of MLMs. To the degree that MLMs use predatory marketing strategies, exaggerate promises, and provide economic benefits for only a small portion of the participants (see Schiffauer, 2018), this research may have important implications for the wealth and well-being of many Utah residents.

This paper proceeds as follows. Section 2 describes how institutions influence a social capital structure, which can, in turn, influence the functions and performance of MLMs. Section 3 describes institutional details of the LDS church and how those institutions build bonding, bridging, and linking social capital that facilitate MLM success. Section 4 concludes with the implications of this research.

2. Theoretical connections among social capital, institutions, and MLMs

Our goal here is to provide a conceptual framework and outline general propositions that allow us to identify how institutions and social capital structures are related, how social capital structures affect MLM prevalence and performance, and how LDS institutions affect social capital structures and MLM participation in Utah. Below are four propositions and their explanations.

Proposition 1 Institutions shape the social capital structure of a community, and institutional variation produces variation in social capital structures.

Social capital has several contested definitions, and even the notion of social capital as ‘capital’ has been contested, but economists and sociologists generally characterize social capital as the connections

among people, which may include social networks, social trust, shared resources, social norms, and shared narratives (Bourdieu, 1986; Chamlee-Wright, 2008; Coleman, 1988, 1990; Putnam, 2000; Hodgson, 2014; Portes, 2000). Not all forms of social capital are alike, however. Similar to physical capital, social capital is structural in nature because both forms of capital are heterogeneous and multi-specific (Chamlee-Wright, 2008). Social capital is heterogeneous because it cannot be reduced to one measurable stock; it is a complex structure made up of ‘community norms, social networks, favors given and received, potluck suppers, book groups, church bazaars, and neighborhood play groups’ (Chamlee-Wright, 2008: 44). Social capital is multi-specific because its particular forms can be useful for various, but not an infinite, number of uses.

Institutions are systems of rules, procedures, or practices that organize and govern social life by enabling action and providing constraints (Hodgson, 1988; North, 1990; Ostrom, 1986; Searle, 2005). Institutions and social capital are intimately related because the rules that govern social life necessarily shape the connections among people (Aoki, 2007; Chamlee-Wright and Storr, 2011; Rothstein and Stolle, 2008). Different institutional environments may facilitate the development of social capital differently, and institutional variations likely influence social capital structures across different populations (Curran *et al.*, 1993; Dodd and Patra, 2002; Sanders and Nee, 1996). Thus, understanding the characteristics and manifestations of social capital structures in a particular context necessitates an understanding of the institutionally derived incentives and constraints that delineate how individuals make connections with one another.

To further refine the idea of an institutionally contingent social capital structure, we leverage Woolcock’s (2001) three categories of social capital: bonding, bridging, and linking. Depending on the institutional context, bonding, bridging, and linking social capital will have different qualities and uses, resulting in different social capital structures. Bonding social capital refers to the connections between members of close-knit homogenous groups, making it the ‘thickest’ type of social capital. Bonding social capital forms between people of similar background and beliefs because members of a group have a sense of belonging to a shared identity that incorporates similar worldviews. Family members, close friends, members of a small church congregation, and residents of the same neighborhood are common examples of bonding social capital (Storr and Haeffele-Balch, 2012).

Bridging social capital refers to the ties between people in more distant groups. As the name implies, bridging social capital connects people who are in different communities or organizations. Although bridging social capital can be ‘weaker’ than bonding social capital, it can still be very helpful in social situations because it provides reliable access to broader networks of people (Aldrich, 2019). Without bridging social capital, an individual would be limited to their immediate circle. Far-reaching weak ties lower transaction costs of entrepreneurship by facilitating access to information and other resources. Weak ties also enable more individuals to access new opportunities and resources, which supports entrepreneurship (Granovetter, 1973; Fukuyama, 1995; Wuthnow, 2002; Kwon and Arenius, 2010; Stephan and Uhlaner, 2010). Lin (2007), for instance, demonstrates that Chinese immigrants in North America have leveraged bonding and bridging social capital to excel in major U.S. network marketing organizations. They are able to succeed in network marketing because they leverage loose social ties within the broader Chinese immigrant community to discover and exploit opportunities to attract new participants and identify potential customers.

Linking social capital refers to the ‘norms of respect and networks of trusting relationships between people who are interacting across explicit, formal or institutionalized power or authority gradients in society’ (Szreter and Woolcock, 2004: 655). Bonding and bridging social capital can be thought of as horizontal ties to other people, but linking social capital describes the vertical connections. An example would be the connection between a town resident and a mayor. In the case of post-disaster recovery, for instance, communities who had robust linking social capital often recovered faster than communities with less linking social capital because the connections to people in power, such as elected officials, enhanced access to more resources. For example, after the 2011 Japanese earthquake and tsunami, local community leaders who had more social connections to Cabinet members were able to rebuild their communities faster than less connected communities (Aldrich, 2019).

Proposition 2 Some social capital structures are more conducive to specific social actions or enterprises compared to other social capital structures.

By applying microeconomic theory, economists can understand how institutions, especially religious institutions, shape social capital structures and economic action (Iannaccone, 1998; Iyer, 2016). Social capital can exist in many different contexts, but the qualities and characteristics of social capital will vary depending on the context. One form of social capital will be useful for the production of certain types of goods or engaging in certain types of activities, but that same form of social capital may not be useful in every circumstance. Thus, the social capital that facilitates certain types of activities may not facilitate other types of activities. The social capital that exists within a particular context forms a particular social capital structure that facilitates certain activities and is suited for the production of certain goods and services (Chamlee-Wright, 2008). Consider, for instance, a collection of close friends that you might call on for assistance on an academic project and a collection of close friends you might call on if someone was threatening you physically. Both sets of ties may be very strong and might be characterized by similarly high levels of trust and reciprocity, but both groups would likely look very different. The social capital related to one group of friends would be ill-suited for the other group's desired tasks.

The disaster-recovery literature is one fruitful place to examine how some social capital structures are more conducive to specific social actions than others. For example, Chamlee-Wright and Storr (2009a) discuss the role that institutionally derived social capital structures played in the relatively quick rebound of the Vietnamese-American community in New Orleans East after Katrina. Members of the Mary Queen of Vietnam Catholic (MQVC) Church had strong bonding social capital because of their shared immigrated experience, attendance in the same church, and participation in the same community activities. These activities contributed to the emergence of social capital structure that made members of the MQVC community willing, and even eager, to help and trust one another. Less than 2 years after Katrina devastated their neighborhood, the bonding social capital among the members of the MQVC Church facilitated the return of that neighborhood more quickly than other nearby neighborhoods because the members had access to a variety of resources due to their particular social capital structure. The MQVC Church had formal and informal institutions that facilitated these social networks and access to resources, allowing the community to overcome the collective action problem of rebuilding their distinct ethnic-religious-language community. Other communities that lacked such an institutionally derived social capital structure were slower and less apt to overcome the collective action problem of rebuilding their communities (Chamlee-Wright and Storr, 2009a, 2009b, 2009c).

As Chamlee-Wright and Storr (2011) also discuss, particular features of the post-disaster institutional environment may lead to a shift in the social capital structure, on the margin, away from one that facilitated self-sufficiency and toward one that facilitated lobbying for resources. Thus, different institutions can alter the ways in which unique social capital structures are formed and maintained, which in turn facilitates new patterns of behavior. This is important because it raises the prospect that certain institutions can produce a social capital structure that facilitates MLMs, whereas other institutions may not produce an MLM-friendly social capital structure.

Proposition 3 To succeed, MLMs depend on a social capital structure of bonding, bridging, and linking social capital that allows member-distributors to leverage both strong and weak ties characterized by trust and reciprocity.

It is not just the size or density of social capital networks that MLM participants can access that matters. The nature of social capital structure that the participants can access is also relevant. Scholars and MLM advisors have suggested that personal relationships are a fundamental part of making MLMs succeed, which implies that MLM success is connected to and dependent on social capital structures that have both strong and weak ties (see Adagbon, 2007; Bloch, 1996; Christensen, 2016;

Dolan and Scott, 2009; Grayson, 1996; Sparks and Schenk, 2001). In most MLMs, distributors purchase products wholesale and sell them to customers, who are typically family members, friends, and acquaintances. Not only are direct sales key to the success of MLMs, distributors must know many people who they can recruit. The direct sale of goods must be supplemented by enrolling sub-distributors, who then recruit others to expand the network. A distributor receives payment through two channels: revenue from direct sales and a percentage of the sales from the network below him or her (Coughlan and Grayson, 1998). The independent, member-owned distributorships are usually operated from MLM members' homes. MLM companies often incentivize distributors to recruit other distributors by paying commissions on the number of recruits. Additionally, distributors receive commissions on sales from all the recruits below them in the recruiting hierarchy, meaning that distributors could receive commissions based on the sales of hundreds of other distributors (Sparks and Schenk, 2001).

The organizational structure of MLMs requires participants to use their social networks and relationships to build and sustain their businesses. As Adagbon (2007: 67) argues,

As a first step in networking, the new recruit is told to recognize and tap into existing networks – even those which are not readily recognized by him/her as being in existence or viable....To this end, s/he is encouraged to draw up a list – according to some relationship criteria – of co-workers in the traditional workplace, friends, school mates, neighbours, church members, cultural/cult/religious associates, gym buddies, mechanics, grocers, bus stop/ride acquaintances, children's teachers, bankers, doctors, family members, etc.

Because MLMs require social networks to generate sales and to recruit new members, this economic activity is embedded in networks of interpersonal relations (Boettke and Storr, 2002; Dolan and Scott, 2009; Frenzen and Davis, 1990; Granovetter, 1985; Grayson, 1996; Sparks and Schenk, 2001). As Christensen (2016: 60) argues in her network-marketing how-to book,

Half of all network marketers leave before the three-month mark, and four out of every five leave within a year. There's a simple explanation for the high dropout rate. Most distributors jump-start their businesses through their inner circle of contacts. If they haven't mastered the art of creating new contacts before they exhaust supportive friends and family members, they will hit a brick wall in their businesses. The majority of them do not survive the crash.

Thus, MLMs need broad networks of bonding, bridging, and linking social capital to be successful to both engage in direct selling and to recruit new sub-distributors. MLM participants must have access to social connections outside of their inner circle of friends and family members, otherwise they are unlikely to make profits and continue participation in MLMs.

Perhaps more than other types of market enterprises, MLMs are more dependent on social capital because they straddle the space between social settings with market settings. Any social setting can become a potential market setting. MLM participants can leverage their social ties, which comes with some degree of trust and social obligations. Some scholars, such as Koehn (2001), have argued that MLMs pose ethical challenges because of the blurring of the line between non-market social interactions and market interactions. As such, an MLM participant may be able to 'exploit' social bonds. Thus, friendships and family relations could be damaged if MLM participants do not tactfully approach their selling and recruiting efforts. Similarly, Bloch (1996) argues that MLM participants who attempt to sell to and recruit within one's circle of friends and family often experience social rejection and alienation, at least in Western societies. He argues that MLMs often result in lost relationships because acquaintances, friends, and family begin to reject, disapprove, and resent MLM participants who view them as income opportunities. However, it is likely that Bloch's concerns are less of a worry in societies with greater levels of social capital and wider social networks. Larger and denser social networks mean that any MLM participant has a broader scope of people to approach. Thus,

MLM participants with social networks of bonding, bridging, and linking social capital have more opportunities to connect with larger numbers of people, lessening the pressure on any particular friend or family member.

Proposition 4 MLMs thrive in Utah, in part, because the LDS Church's institutions create a unique social capital structure that can be leveraged by members as they engage in MLMs.

The institutional structure of the LDS Church fosters thick networks of bonding, bridging, and linking social capital, and the particular qualities of that social capital are conducive to successfully engaging in MLMs in Utah. In the following section, we present evidence to substantiate this proposition. We acknowledge the limitations of this paper in that we are not engaging in statistical hypothesis testing, but we are examining our propositions with an analytical narrative of a particular case study. It is also important to note that we focus on the means, not ends. People in Utah, or anywhere, may be participating in MLMs to maximize their income, to socialize with neighbors, or to find entertainment. We take the ends as given and analyze the means to explain how institutions and social capital structures lead to Utah's disproportionately prevalence of and participation in MLMs.

3. The impact of LDS institutions and social capital on MLMs in Utah

3.1 Methodology for understanding LDS institutions and social capital structure

To understand the functioning of MLMs in Utah, we first detail LDS institutions and the institutionally derived social capital structures. Our evidence and analysis of those institutional and social capital structures are based largely on (1) the Church's official leadership handbooks, (2) General Conference sermons, and (3) canonized LDS scriptures. These three sources are authoritative evidence for understanding LDS institutions and social capital structures because they outline the rules that govern the LDS Church and serve as culturally important sources of guidance that apply to Church members.

The Church had two handbooks for local leaders. *Handbook 1: Stake Presidents and Bishops* and *Handbook 2: Administering the Church* establish Church-wide guidelines for how local Church organizations should function, what the expectations are for local Church organizations, and what the Church's social structures should look like (*Handbook 2*, Introduction).¹ Additionally, *Mission President's Handbook* outlines the institutional structure and responsibilities of mission presidents and missionaries throughout the world.

General Conference, a semiannual gathering of Church members to listen to the highest level of Church leaders, is another important source of Church doctrine and organizational information. All LDS Church members are expected to listen to the sermons. Sermons in General Conference direct average church members and local church leaders not only in theological matters, but also conveying institutional rules and social expectations (Hales, 2013; McKay, 1938; Monson, 2014).

Canonized LDS scripture, including the Bible, *the Book of Mormon*, the Doctrine and Covenants, and the Pearl of Great Price, not only set up the theological doctrines of the religion, but they also specify the institutions and social structures that are to be used in the Church. Specifically, the Doctrine and Covenants has many sections that specify the Church's institutional rules, and how social structures are to be organized, and the social obligations that one member has to another. For example, Doctrine and Covenants, Section 20, outlines the social duties and responsibilities of members, including elders, priests, teachers, and deacons.

¹In January 2020, the LDS General Authorities replaced *Handbook 1* and *Handbook 2* with a single handbook titled *General Handbook: Serving in The Church of Jesus Christ of Latter-day Saints*. Although the new handbook introduced some changes to LDS Church policies and practices, nearly all substantial institutional rules remain intact, thus leaving our subsequent analysis valid.

3.2 Institutional and doctrinal focus on social cohesion within the LDS Church

Social cohesion is a consistently reinforced and prevalent aspect that comes out of the institutional structure and doctrinal teachings of the LDS Church. Through the emphasis on social cohesion, LDS Church institutions create bonds of trust between members. The institutional emphasis on unity and neighborliness is a key reason why dense social capital networks where virtually all members have access to local, regional, and even international connections have formed within the Mormon community.

Several passages in the *Doctrine and Covenants* emphasize the importance of social bonds within the Mormon community, producing a theological and cultural foundation for the particular social capital structure in the LDS Church. For instance, in the *Doctrine and Covenants*, Section 38, it reads, ‘And let every man esteem his brother as himself, and practice virtue and holiness before me. [...] I say unto you, be one; and if ye are not one ye are not mine’. Other passages in canonized scripture emphasize the need to ‘be one’, alluding to the necessity of social cohesion. *Doctrine and Covenants* 51:9 directs, ‘And let every man deal honestly, and be alike among this people, and receive alike, that ye may be one, even as I [the Lord] have commanded you’.

In addition to canonized scripture, General Conference addresses by the highest-ranking leaders have emphasized the need for members to create social bonds between fellow Church members, as well as their neighbors. For instance, Apostles Oaks (2014), Perry (2001), and Christofferson (2008) have taught in General Conference about the importance of loving your neighbor, avoiding contention, and being courteous, civil, and inclusive.

In addition to the call for social unity and avoiding contention, there is a cultural and doctrinal emphasis on obedience to Church leaders and Church protocol. The focus on obedience is important for building social capital because Church leaders delineate the institutions and social obligations that members have to one another. In General Conference, Costa (2010) of the Presidency of the Seventy emphasized obedience to Church leaders, saying, ‘In our day the prophet of God has told us to keep the commandments, to love our fellowman, to serve, to take care of the rising generation, to rescue the inactive or less active – to do many things that we call prophetic priorities. [...] [T]he living prophet and the first presidency – follow them and be blessed; reject them and suffer’.

The doctrinal and cultural focus on unity, neighborliness, and obedience sets the stage for the development of a social capital structure that is conducive to successful MLMs. The formal and informal institutional structure of the LDS church, as discussed in the following subsections, facilitates social bonds because Church members have not only narrowly religious but also social obligations to other members and leaders. The various doctrines, programs, and policies within the Church aim to bring the membership together as a united group under the direction of a hierarchy of Church leadership. In the subsections that follow, we show how the formal and informal institutions in the LDS Church facilitate the emergence of bonding, bridging, and linking social capital that is necessary for MLMs to succeed.

3.3 LDS Church institutions and the formation of bonding social capital

Bonding social capital is built in local congregations called ‘wards’, which are contiguous areas that contain approximately 150 to 350 Church members. Each ward is led by a bishop, who is a member of the ward living within the ward boundaries. The bishop is assigned to be the spiritual leader and logistical manager of the ward for approximately 5 years. Wards are nested in stakes, and stakes are nested in areas, under a central governing body called the General Authorities. The bishop is chosen by the leader at the next level up, called a stake president. A stake president oversees a stake, which is a collection of six to ten wards. The Church has a clearly delineated hierarchy, with Church-wide decisions and policies made by the General Authorities in Salt Lake City, Utah (*Handbook 2*, 2.1.1). Although the General Authorities make Church-wide decisions, most governance and social interaction take place at the ward and stake levels.

Wards are tight-knit communities in the same geographical area, and Church protocol dictates that the location of one's residence determines which ward members attend. Weekly church attendance on Sunday is strongly emphasized in Church teachings. Apostle Petersen (1975) said, 'Sabbath observance and church attendance are commanded of God! Shall we take his word seriously and comply with it, or shall we consider the Sabbath but a trifle in our lives and ignore it and continue to suffer the evil consequences?' Similar sentiments have been echoed in recent years (see Cook, 2015). The focus of weekly church attendance by the highest leaders in the Church helps foster bonding social capital in each ward because members interact with their church neighbors at least weekly, if not more.

Additionally, one member in each ward is given the responsibility of being the ward clerk, who keeps statistical records called member participation reports. Reports on member participation consist of 'weekly, monthly, and quarterly information that helps leaders focus on the progress and needs of members' (*Handbook 1*, 13.5). Ward leaders, such as the bishop and ward council, use these reports to know which ward members need help and which particular help is needed (*Handbook 1*, 13.5.3). These institutional rules facilitate the necessary forms of social capital that are useful for MLM enterprises because ward members are obligated to interact weekly, at a minimum, with their fellow ward members who live near them, allowing them to build personal connections of trust.

Each adult member and many teenage members in a ward are given a 'calling', which is an assignment or a responsibility to oversee some aspect of the ward's spiritual or physical needs (Benson, 1988). These callings directly connect a person to other members of their ward and sometimes to people in other wards in the same stake. Ward callings include Elders Quorum president, Priests Quorum president, Teachers Quorum president, Deacons Quorum president, quorum advisers, ward clerk, ward mission leader, ward young men president, ward young women president, ward Primary president, ward Sunday School president, music director, ward librarian, and ward welfare specialists, among many others (*Handbook 2*, 19.7.2 and 19.7.5). Many of these callings, including those of the Church's youth groups, pertain to midweek meetings. Teenage members and their parents interact with the youth leaders in weekly activities, such as service projects, skill development, and additional religious study ('Young Women Personal Progress'; 'Fulfilling My Duty to God'). People with callings are expected to 'lift, strengthen, and nurture convictions of righteousness in the lives of those for whom they have responsibility' (*Handbook 2*, 2.4.5).

The Church's various callings and programs foster the creation of bonding social capital within each ward because individuals interact with other ward members on Sundays and occasionally on other days of the week. Through their callings, ward members build close connections based on mutual respect and trust as they plan ward activities, assess the spiritual needs of their fellow ward members, and ensure that the ward is fulfilling its purposes.

One calling that all adult members have, in addition to other callings, is to serve as ministering brothers and sisters. Local leaders give out ministering assignments so that every LDS household in the ward is overseen by another household. Ministering is meant to ascertain 'the strengths, needs, and challenges' of each member of a ward ('What is Ministering?'). Ministering builds bonding social capital because it takes place in members' homes, generally once a month. Church members talk about their spiritual lives and needs, but they also engage in casual conversation, which often creates close friendships characterized by trust. Both ministering assignments and other calling-related responsibilities foster an MLM-conducive social capital structure because ward members consistently visit other ward members in their homes to build friendships and other meaningful social bonds.

The ministering program was added to Church practice in April 2018, but in the prior decades, two programs called 'home teaching' and 'visiting teaching' served a similar function. Starting in 1962, home teaching was an obligation for teenage and adult men, who were expected to visit their assigned families monthly to ensure those families' general welfare and to deliver a spiritual message (*Handbook 2*, 7.4). As the 2010 edition of *Handbook 2* (7.4.1) directs, 'Home teachers become acquainted with family members' interests and needs and recognize special events in their lives... Home teachers offer help when members are unemployed, ill, lonely, moving, or have other needs'. Thus, the home teaching program facilitated close bonds between ward members because home

teachers were obligated to visit their assigned families monthly (McKay, 1967). Each home teacher reported whether they had fulfilled their home teaching obligations to relevant church leaders (*Handbook 2*, 7.4.4).

Until 2018, all female members of the church were expected to participate in 'visiting teaching', which was a program in the Church's women's organization called the Relief Society (*Handbook 2*, 9.1.2). Visiting teaching's purpose was to give women in the Church 'the opportunity to watch over, strengthen, and teach one another' (*Handbook 2*, 9.5). To fulfill their visiting teaching obligations, women were expected to 'have regular contact (monthly if possible) with those they are assigned' (*Handbook 2*, 9.5.1). Similar to home teaching, women were required to report if they completed their monthly responsibility of visiting teaching to the Relief Society presidency. These reports contained information regarding any special needs of women in the ward and whether any service was rendered. The Relief Society president then gave the monthly visiting teaching report to the ward's bishop (*Handbook 2*, 9.5.4). The current ministering program, like the home teaching and visiting teaching programs that it replaced, is integral to the formation of bonding social capital in LDS wards. The General Authorities of the Church have consistently emphasized fulfilling the obligations of ministering/home teaching/visiting teaching (*Handbook 2*, 7.4.1). The cultural and doctrinal focus on obedience to Church leaders, especially their calls to routinely visit assigned ward members, fosters social connections that would not likely have existed without the institution of the ministering/home teaching/visiting teaching programs. These social connections are important for the cultivation and success of MLMs because ward members have a larger potential pool of people on which to draw for selling and recruiting to MLMs.

In addition to ministering, the Relief Society is an especially important institution that facilitates the creation of social capital because of its focus on welfare and compassionate service (*Handbook 2*, 9.1.1 and 9.6). Women in the Relief Society are expected to aid men and women in the ward who face 'special needs because of old age, physical or emotional illness, emergencies, births, deaths, disability, loneliness, and other challenges' (*Handbook 2*, 9.6.2). The act of caring for someone going through crisis builds a certain kind of closeness that establishes meaningful social connections. When members of a community help each other through difficult times, they are likely to feel a sense of intimacy and reciprocity that persists, even if they do not frequently interact. These feelings of intimacy and reciprocity are likely to aid the performance of MLMs.

When Church members move to a new home, they are likely to move into a new ward. The Church's formal policies and informal norms direct ward members to integrate new members quickly and meaningfully. Usually this is facilitated by a phone call from the previous ward's bishop to the new ward's bishop, who then coordinates with Relief Society leaders and Elders Quorum leaders (*Handbook 2*, 3.2.3, 3.3.3, 6.2.4, and 7.4.1). The concerted effort allows members who move to be absorbed quickly into the ward's social circles (see Forbis, 1980). Thus, members can create bonding social capital with their new ward and maintain relationships with friends in their old ward, broadening the total amount of social connections.

Another LDS Church institutional practice that facilitates the formation of bonding social capital is the rotation of official responsibilities within the ward. Ward leadership roles, callings, and ministering assignments periodically rotate. Before a ward member receives an official responsibility, a bishop (and sometimes a stake president) will conduct a personal interview to determine the member's faithfulness and willingness to serve in a specific calling. If the person is willing and deemed worthy, they will serve in that calling for an unspecified amount of time, but generally not more than a few years. After several years, authorized leaders will inform church members when they have been assigned to a new calling (*Handbook 2*, 19.2 and 19.5). Thus, each member constructs social ties with many people in their wards and stakes as their church responsibilities switch periodically. For MLMs to succeed, participants must have large social circles of contacts to both sell to and recruit. Since church callings switch every few years, ward members are able to build relationships of trust with an increasingly large number of people in their ward, and the relationships that were cultivated in previous callings do not

necessarily decay because ward members will see each other weekly at Sunday meetings or midweek meetings.

The LDS Church also works to reconnect with Church members who appear to less active which serves to repair and reinforce within ward social bonds. When a ward member does not attend weekly Sunday meetings, other ward members deem that person 'inactive' or 'less-active', and they mobilize a plan to 'reactivate' the person who is not participating in weekly worship services. Church-wide protocols dictate that the bishop and ward council make plans to reactivate and befriend less-active members who choose not to attend weekly services (*Handbook 2*, 5.1.8 and 5.3).

Less-active members will often become the object of a ward-wide reactivation campaign, which may involve house visits from various ward members, emails, texts, and letters. Less-active or inactive members who refuse to re-engage in religious participation may have their social relationships with ward friends and neighbors informally severed. Thus, focusing on the retention and full participation of all members within a ward's boundaries is instrumental to the maintenance of strong social ties. By encouraging as much Church participation as possible, ward members are able to build relationships of trust and reciprocity that can promote the social capital that is necessary to make MLMs flourish.

3.4 LDS Church institutions and the formation of bridging social capital

Bridging social capital is created with the Mormon community as a result of the nested structure of wards/stakes/areas, plus the social ties that are made through attendance at church universities and participation in proselytizing missions. These connections link people from different parts of Utah, different parts of the Mormon Belt in the Western United States, and the rest of the world. Bridging social capital developed at stake events, in Church universities, or on missions is helpful for MLMs in at least two ways. First, these broad networks of weak ties create a social 'bridge' to different kinds of people that would have otherwise been inaccessible. Second, affiliation with a certain stake, university, or mission is likely to provide a sense of comradery and reciprocity with other people who have affiliation with the same stake, university, or mission. This institutionally contingent sense of comradery and reciprocity can be leveraged for MLM participation.

As stated previously, some members receive callings based solely in a single ward, but others receive callings for a stake. Stake callings include stake clerk, high councilor, stake patriarch, stake young men president, stake Relief Society president, stake young women president, stake primary, and stake Sunday School president, stake activities committee, temple and family history consultants, stake music chairman, stake welfare specialists, and stake seminary teachers, among others (*Handbook 2*, 19.7.1). These stake callings create bonds between members of various wards, and like ward callings, stake callings rotate every few years, allowing an even broader network of social connections among the members of a stake. In the context of MLMs, participants need a diverse set of social circles to sell goods to and to find recruits. Stake callings allow church members to develop relationships of trust that extend beyond the ward boundaries and tap into other social circles that they would not have had access to otherwise.

There are also stake and multi-stake activities, which may consist of cleaning church buildings, food drives, skill development workshops, humanitarian service projects, youth conferences, sports tournaments, dances, talent shows, and 'pioneer treks' ('Stake and Multistake Activities'). Ward members who might not have developed close social connection to Church members outside their ward are given an opportunity to build connections with people in their stake through these activities. On pioneer treks, ward members reenact the experiences of the Mormon pioneers in the mid-1800s ('Pioneer Treks'). Treks are often physically exhausting and spiritually uplifting to the participants, which facilitates deep social connections between members of the same stake who experienced this Trek together.

Church universities also provide networking opportunities which foster the development of bridging social capital, and the universities' strict rules that mandate full Church participation (perhaps unintentionally) build social connections. The LDS Church owns and operates four universities: Brigham Young University, Brigham Young University – Hawaii, Brigham Young University –

Idaho, and LDS Business College. In 2019, the four universities had a combined enrollment of roughly 60,000 students from all over the world, with the vast majority of students being members of the Church. About 35% of the enrolled students in Brigham Young University are from Utah. Enrollment at a Church university is largely contingent on a student's weekly attendance at church meetings and fulfilling church responsibilities ('Church Educational System Honor Code'). At Church universities and other areas of high LDS concentrations, the LDS Church has created specific wards for young single adults from ages 18 to 31. Young single adult wards foster various activities to help church members build social ties, participate in service, and learn Church teachings. Official Church publications state that 'a central purpose' of these young single adult wards 'is to help young single adults find marriage partners and prepare to marry in the temple and raise righteous families' (*Handbook 2*, 16.2). Thus, students build social capital with broad networks of students and with Church leaders because most Church-university students live with other students in Church-approved housing, attend Church meetings weekly, and attend Church-sanctioned social events. Importantly, these students come from wards across Utah and elsewhere and so the relationships that develop bridge multiple wards.

Bridging social capital is also built through missions, which provide language skills and networking opportunities that bridge communities. At least since the 1970s, Church policy has expected all young men between ages 19 and 26 to serve a 2-year proselytizing mission (Kimball, 1974; Monson, 2010). Missionary service for young women has historically been acceptable, but not obligatory. However, in recent decades, there has been a stronger push for young women to serve missions (Monson, 2010). In 2019, there were roughly 67,000 full-time missionaries ('Missionary Program'). In July 2019, there were 399 missions worldwide, and each mission is presided over by a mission president, who is chosen by the General Authorities of the Church ('Church Announces New Missions', 2019; *Mission Presidents Handbook*). Mission presidents supervise and direct a group of missionaries in a geographic area that ranges between 60 and 200 missionaries and direct their missionary labors. Missions give members skills of public speaking and 'door-to-door' experience by engaging for 2 years in full-time proselytizing.

Missions have institutional hierarchies similar to the overall Church. The mission president is the spiritual leader and logistical leader of the mission. He has some discretion to change mission rules to fit local circumstances, but he cannot alter Church-wide missionary policies. Under a mission president, each mission is organized in a bureaucratic chain of command, where the mission president and his assistants oversee zone leaders, who in turn oversee district leaders, who oversee the daily proselytizing activity of everyone in the mission (Pepper, 2014). All missionaries are assigned a 'companion' by the mission president, and per Church-wide policy, companions are not allowed to be separated (*Missionary Handbook*, 2006: 30–31). Mission companions create strong social ties with one another because they spend nearly every moment together, ranging from a few weeks to a few months (Pepper, 2014). Importantly, these mission companions rarely come from the same ward or even the same stake; each mission is composed of missionaries from across the world. The bureaucratic organizational structure also facilitates bridging social capital because missionaries make social connections with their companions, district leaders, zone leaders, Assistants to the President, and the mission president.

Additionally, missionaries form social connections with Church members and converts in their host communities. Church leadership expects missionaries to make meaningful social connections with the Church members in the places where they are serving their missions (*Missionary Handbook*, 2006: 35). Missionaries are also expected to keep in contact with their converts (*Missionary Handbook*, 2006: 36). Thus, even after missionaries return home, they have social connections to distant Church members and converts.

The institutional rules that govern Church universities and proselytizing missions foster a particular form of bridging social capital that facilitates successful MLM participation. Specifically, university life and mission experiences allow young Mormons to build up social connections that often last throughout their whole lives, that are characterized by meaningful bonds of trust, and that cross multiple

communities. Thus, young Mormons in MLMs have access to very broad networks of weak ties that they can capitalize on to access new contacts for selling and recruiting before they exhaust the friends and family members in their inner circle.

Stake callings, attendance at Church universities, and proselytizing missions allow LDS members to build weak social ties that span regions, and sometimes the globe. LDS individuals who also participate in MLMs can leverage these broad networks of weak ties to sell products and recruit new MLM participants. Without these institutionally contingent social networks of weak ties, it is likely that Utah's MLMs would be less successful.

3.5 LDS Church institutions and the formation of linking social capital

The Church's polycentric structure of nested levels facilitates linking social capital because average ward members have access to vertical social connections with their assigned leaders. Linking social capital is typically characterized as the use of connections to elected officials or philanthropists who have large pools of resources that would not be accessible without those connections to people in power. In the LDS context, connections to leadership does not provide direct financial rewards in the same way as elected officials or philanthropists. However, connections to Church leaders open up even broader social networks that may not have been accessible otherwise. Thus, the linking social capital associated with the hierarchy of Church leadership is important for connecting individuals in local communities and worldwide.

Each ward's bishop is an important leader for establishing a wide variety of social connections. A ward's bishop 'presides over the ward priesthood executive committee, ward council, and bishopric youth committee' (*Handbook 1*, 2.1.5). Bishops provide 'guidance and counsel to other leaders in the ward' (*Handbook 1*, 2.1.1). The ward council includes most of the ward's auxiliary leaders in their various capacities (*Handbook 2*, 4.4). Ward members in these leadership positions generally develop close bonds with the bishop because the council typically convenes weekly (*Handbook 2*, 4.6). Members of the ward council are expected to 'work together to build spiritual strength and unity in the ward' (*Handbook 2*, 4.5.2).

Not only do the ward council and ward auxiliary leaders have close relationships with the bishop, each member of the ward will have a personal relationship with their bishop through a series of interviews that are mandatory for full religious participation. Interviews with the bishop are necessary for 'baptism into the Church, priesthood ordinations, and the issuing of temple recommends' so that the bishop can ascertain 'the personal worthiness of each individual' (*Handbook 2*, 21.1.25). All adult and teenage members are expected to participate in interviews periodically, which is typically every year or two, but other ward leadership positions meet with the bishop at least monthly. A bishop interviews each teenage boy or girl at least annually, and if possible, he interviews each 16- and 17-year-old twice annually (*Handbook 2*, 8.3.1.2 and 10.3.1.2).

In addition to bishops, most members of the Church will also make direct connections with their stake president through interviews, especially to receive a temple recommend, which is required to take part in temple ordinances, or to gain approval for a mission. First, bishops interview members in their ward for worthiness for a temple recommend or a mission, and then 'following the interview by a member of the bishopric [...], a member of the stake presidency interviews the person and signs the recommend if the person is worthy' (*Handbook 1*, 3.3.3). Additionally, bishops and stake presidents conduct 'thorough, searching interviews with each missionary candidate' (*Handbook 1*, 3.3.3). Stake presidents and bishops also conduct interviews with Church members 'who seek spiritual guidance, who have weighty personal problems, who have doctrinal questions, or who have committed serious transgressions' (*Handbook 1*, 7.2.1).

Bishops have robust connections with the stake presidents, which facilitates the vertical social connections through the authority chain. Bishops in each stake meet for regular interviews with their stake president. Bishops report to stake presidents frequently regarding 'the progress of investigators [potential converts]' and 'the progress of less-active members' in the bishop's ward (*Handbook 2*, 5.1.9.1 and

5.3.6.1). Each stake president is expected to give frequent ‘guidance and counsel to bishops and other leaders in the stake’ (*Handbook 1*, 1.1.1). As such, bishops and stake presidents are also likely to form bonds.

Mission presidents also facilitate social connections. Like bishops and stake presidents, mission presidents conduct interviews with all the missionaries that report to them at least once every six weeks (*Mission Presidents Handbook*: 18–19). Missionaries are expected to look at their mission presidents as ‘a source of love, wisdom, experience, and inspiration’ (*Mission Presidents Handbook*: 19). The authority hierarchy of missions is closely related to the hierarchy of wards and states. Stake president meets regularly with mission presidents to coordinate missionaries proselytizing (*Handbook 2*, 5.1.9.1). Mission presidents are expected, if practical, to meet monthly with each stake president within their mission boundaries (*Mission Presidents Handbook*: 55). Former missionaries often keep in contact with the mission presidents after they have completed their mission, creating linking social capital within the hierarchical structure of the church.

The relationships that Church members forge with their bishops, stake presidents, and mission presidents can directly translate into a unique linking social capital structure that is conducive to MLM success. Bishops personally know all the members of the ward, stake presidents personally know a majority of all the members in their stake, and mission presidents personally know all the missionaries that they oversee. By interacting with bishops, stake presidents, and mission presidents, LDS members can access the social knowledge and social connections of those leaders. LDS members who participate in MLMs may be able to use the social connections through the leadership hierarchy to access potential buyers or sub-distributors. The linking social capital through official Church leadership provides yet another avenue to access the social networks that make MLMs viable.

4. Conclusion and implications

Three main conclusions emerge from this analysis. First, particular institutions shape social capital structures, and some social capital structures are more conducive to certain activities than others. Second, MLMs are connected to and dependent on social capital, and MLMs participants must have access to a large network of bonding, bridging, and linking social capital in order to recruit new participants and to recruit members. Third, MLMs are especially prevalent in Utah (at least in part) because of the ubiquitousness of LDS institutions that facilitate a social capital structure that is conducive to successful MLMs.

There are several implications of this research. One implication is with regards to what is often described in the literature as the ‘dark side’ of social capital. This phrasing is used to highlight that social capital can be a ‘double-edged’ phenomenon. Although social capital can alleviate some social problems, it can also exacerbate others, such as rent seeking and faster entry into socially damaging groups (Chamlee-Wright and Storr, 2011; Satyanath *et al.*, 2017; Villalonga-Olives and Kawachi, 2017). There is little doubt as to the contested and controversial nature of MLMs, and some scholars, such as Schiffauer (2018), argue that MLMs engage in predatory marketing strategies, exaggerate promises, and provide economics benefits for only a small portion of the participants. Thus, in cases where particular MLM practices may border on unethical behavior, social capital structures that facilitate and perpetuate such MLMs may be considered a ‘dark side’ of social capital. However, such a claim would necessitate an analysis of specific MLM enterprises rather than a broad condemnation. Future research could examine more of the theoretical and empirical connections between the dark side of social capital and MLMs. Despite the dark side of social capital, there are also undoubtedly positive impacts of the LDS social capital structure. Within the United States, Utah has the lowest rate of unwed childbearing, the lowest percent of children living in single-parent homes, the highest percent of married women, the highest average number of close friends, the highest percent of neighbors who say they do favors for each other, the highest percent of adults who say they can trust all or most of their neighbors, and the highest percent of adults who had volunteered for a group in the past year (Joint Economic Committee – Republicans, 2019).

This research highlights that institutions and social capital structures are embedded in culture understandings and cultural values. A social capital structure, or any other economic phenomenon, cannot be understood fully without appreciating the cultural meanings that color economic and social action (Storr, 2013). Thus, the unique Mormon social capital structure as it relates to MLMs cannot be understood outside of the Mormon cultural framework of meanings and values. For example, future research could explore the relationship between the cultural role of testimonial evidence and MLM performance (see Gilkey and Ben-Amos, 1994). Future research could also look at the cultural pressure on LDS women to prioritize motherhood and how those cultural understandings factor into MLM performance (Nelson, 1999; Campbell and Campbell, 1981; Chen, 2014; Heaton, 1986; Wallace, 1984).

Additionally, the LDS Church has a ‘prosperity gospel’ theology, which is the belief that personal righteousness leads to financial and physical well-being (Mosiah 2:22, *Book of Mormon*). This cultural understanding of righteousness leading to prosperity may make members of the LDS Church more inclined to participate in MLMs. Looking at MLMs broadly, the average participant earns little income even when devoting ‘a disproportionately high amount of their resources’ to MLM activities (Bhattacharya and Mehta, 2000). Future research could examine how the cultural understanding of Mormons may be shaping their expectations and their decisions to participate in MLMs. The belief that prosperity comes through obedience and hard work is ingrained in Mormon thinking and is likely a socially productive belief in many economic settings. However, MLMs function differently than other economic enterprises, so the institutional setup of MLMs may make it difficult for participants at the bottom end to make money, despite hard work and obedience. MLM companies may be a way that people get together to socialize, something like a substitute for a book club. For people who enter MLMs as a serious source of income to raise families and might have limited availability for other types of work, the cultural understandings of the prosperity gospel theology might help explain why MLMs are more than just a substitute for a book club.

There are many empirical questions this research does not answer, but this paper may provide insights to future avenues of inquiry. Specific empirical hypotheses could be tested. For example, if social capital created by LDS Church institutions explains, at least partially, the high prevalence of and participation in MLMs in Utah, then several questions arise. Out of Utah’s population, do LDS Church members participate in MLMs more than non-church members? Is turnover in MLMs lower for Church members than non-Church members in Utah? In Utah, do Church members systematically make more money from MLMs than non-Church members?

In addition to the social capital and cultural explanations, legal institutions may also be contributing to the prevalence of MLMs in Utah. Legislation in 2006 exempted MLMs from prosecution as pyramid schemes. S.B. 182, the Direct Sales Amendment, relaxed Utah’s pyramid scheme laws. Prior to the amendments, Utah law defined a pyramid scheme as an enterprise where people gain ‘compensation’ in the form of money, money bonuses, commissions, overrides, prizes, or other real or personal property, tangible or intangible. The 2006 amendments changed the law so that commissions were excluded as a form of ‘compensation’. The amendments also reduced the penalty of participating in a pyramid scheme to a class B misdemeanor (‘S.B. 182 Direct Sales Amendments’). Future research could examine how this law, in conjunction with the social capital and beliefs of the LDS Church in Utah, helps to explain the prevalence of MLMs in the state. Arizona and Idaho also have relatively large populations of Church members, implying that the same Church-rooted social capital structures facilitate MLMs in those states as well. Future research could explore whether Church members in those states participate in MLMs to similar degrees or whether Utah’s legal institutions play an integral part in Utah’s unique MLM environment.

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