

SPIRITUAL CAPITAL: An Introduction and Literature Review *

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This paper provides an overview of the vast literature relevant to the study of spiritual capital. It remains very much a work in progress, designed both to stimulate discussion and to elicit comments, suggestions, recommendations, and additional source material. Subsequent drafts will include, or be linked to, a much more comprehensive bibliography of publications, working papers, and data sources.

The following four sections form the initial part of our survey. They introduce spiritual capital in relation to other forms of capital – human, social, cultural, and religious. Additional sections of the survey concern the social and economic consequences of spiritual capital, the effect of government on the formation of spiritual capital, theories of religion and spirituality, causes and consequences of religious extremism, religious markets and church-state interaction, trends and cross-national comparisons, historical lessons, and scenarios for the future of religion and spirituality.

1. DEFINING SPIRITUAL CAPITAL

Despite its intuitive appeal the term “spiritual capital” lacks any clear definition. Spiritual capital is a catchy phrase – a linguistic union of the academically-respectable concept of capital (both “human” and “social”) and the vague but popular notion of spirituality. It remains to be seen whether the marriage will last, let alone be fruitful and multiply. Critics can rightly claim that most attempts to define, analyze, or promote spirituality as distinct from religiosity have not proved fruitful. On the other hand, a growing body of research underscores the continuing social and economic impact of religious beliefs, activities, and institutions – most of which can be analyzed with reference to various forms of capital.

One may imagine “spiritual capital” catching on precisely because it blurs traditional distinctions between that which is religious and that which is secular. “Spirituality” sidesteps the negative images frequently associated with institutionalized religion, and especially conservative Protestant religion, in both academic and media culture. The term is sufficiently elastic and popular that it can be applied to all traditional religions, all new religions, and a wide range of non-religious activities deemed virtuous or therapeutic. From a scholarly standpoint, this elasticity of application is of course highly problematic, but perhaps nothing less will satisfy contemporary demands for religious pluralism, ethnic diversity, cultural sensitivity, and political correctness. On the other hand, spiritual capital may enter academic discourse as a relatively clean concept, with well-defined boundaries and characteristics. In such a form, it stands a much better chance of enhancing formal models, empirical studies, and policy decisions.

Spirituality versus Religiosity: For recent attempts to define and empirically distinguish “religiosity” and “spirituality” see, Marler and Hadaway (2002) and Zinnbauer, et al. (1997) and Scott (2001). The key, consistent result from these and other studies is that about 75% of Americans describe themselves as “religious” and more than 90% (including nearly all “religious” people) describe themselves as “spiritual”. Most of people who describe themselves as spiritual but *not* religious are merely *less* religious – i.e., they attend church less often and are less sure of their beliefs than those who describe themselves as both. A small minority, however, perhaps only 5% of the population, self-identify as spiritual but not religious because they explicitly reject conventional Western religion in favor of New Age or Eastern beliefs and practices.

2. CAPITAL – HUMAN, SOCIAL, AND CULTURAL

Although we lack a clear definition for “spiritual capital” (or spirituality, for that matter), we see no need to extend the definition beyond the combined realm of “human capital,” “social capital,” and “cultural capital” as defined by Becker, Coleman, Bordieu and others. Similarly, we see no need to exclude any instance of “religious capital” as defined by Iannaccone and others. This limits the field somewhat, making spiritual capital a superset of religious capital and a subset of human, social, and cultural capital.

2a) Human Capital

Human capital has become so familiar and fundamental to economics and the social sciences that it suffices merely to emphasize a few of its key features, taken primarily from Becker’s seminal work on human capital and household behavior (Becker 1975; Becker 1976). Specifically: human capital cannot be separated from the individual; is augmented or diminished through everyday activities (ranging from formal education to household consumption); takes many forms (general versus specific, output-enhancing versus utility enhancing, complementing other people’s capital, etc.); and is a major determinant of interpersonal differences (in consumption, returns to labor, and even tastes), life-cycle change (in wage rates, work hours, consumption patterns, household activities, and even health), and joint activities (including commercial, social, and family activities). Becker’s ideas about human capital have proved immensely valuable because – unlike most social-scientific concepts – they can be adapted to an extraordinarily wide range of phenomena (including work, education, marriage, fertility, and addiction) while remaining sufficiently precise to admit theoretical modeling, real-world measurement, empirical testing, and policy formulation and evaluation. For those who introduce alternative forms of capital – most notably social, cultural, or spiritual – the great challenge is coming up with definitions and applications that share these strengths.

[For more on Human Capital, see Appendix 1]

2b) Social Capital

For an excellent overview, and critique, of the social capital literature, see Sobel (2002) Other reviews include Dasgupta (1999) and Portes (1998). For the theory of social capital, see Coleman (1988) and also Glaeser (2002).

Coleman's 1988 article, "Social Capital in the Creation of Human Capital" introduced the concept of social capital as a resource for social action. According to Coleman, social capital inheres in the relations among and between persons, and like other forms of capital (e.g., cultural, human, physical) it facilitates productive activity. In particular, he argues that social capital can develop both within and outside families (i.e., in social networks). He highlights the role that social capital plays in creating human capital (Becker 1964, 1976), in particular the human capital of succeeding generations. To illustrate this he analyzes the effect of social capital (or lack thereof) on high school drop out rates. He finds that the dropout rates for children of two-parent families, which he takes as a proxy for adult attention and a measure of familial social capital, are far lower than they are for single parent families. He also notes that the dropout rates are far higher in public schools and nonreligious private schools than they are in religiously based private high schools. He believes that the wider religious community in which religiously based private schools are embedded helps create more social capital, which in turn is what leads to lower dropout rates.

The vast bulk of the social capital literature focuses on results from cases studies, comparisons across groups or nations, or summaries of trend and cross-sectional data.

Since the publication of Putnam's (Putnam 1993; Putnam 1995; Putnam 1996; Putnam 2000) thought-provoking articles and subsequent book on the subject, social capital has become something of a cottage industry among social scientists. Citing decreasing voter turnout, declining membership in voluntary associations, and a drop in the level of trust that Americans have for one another as evidence, Putnam believes that America's social capital has dropped precipitously in recent years, and he sees this decline as threatening the long-term health of American democracy. Putnam's thesis has incited considerable debate among social scientists.

Many believe that social capital increases the likelihood of attaining higher instrumental (e.g., higher paying jobs, earlier promotions) and expressive (e.g., better mental health, closer friendships) returns (Granovetter 1973). Others argue that it also enhances the probability of participating in various types of collective action: civic engagement (e.g., voting, serving on committees), neighborhood crime watches, volunteering, and charitable giving, just to name a few (Putnam 1993; Putnam 1995; Putnam 1996; Putnam 2000).

Not all agree that America's social capital is in decline. Paxton (1999), for instance, finds only limited support for Putnam's thesis. Similarly, Lin (2001) argues that it is premature to declare that social capital in America is in decline. He notes that while participation in certain activities may be declining, it is increasing in others. Greeley (1997a) notes that by at least one measure of social capital, volunteering, Americans have higher participation rates than citizens of other countries and that the level of volunteering in America has actually increased rather than decreased.

As Paxton (1999) and Portes (1998) point out, the concept itself, and its underlying concern, is not new. Durkheim (1984; [1897] 1951; [1915] 1995), for instance, raised similar concerns about modern society in his discussions of the division of labor, suicide and the integrative role played by religion. And Tocqueville ([1835, 1840] 1990), who profoundly influenced Durkheim, was probably the first to specifically link the health of America's democracy with its vigorous associational life. More recently, Bellah and his colleagues (Bellah, Madsen, Sullivan, Swidler, and Tipton 1985; Bellah, Madsen, Sullivan, Swidler, and Tipton 1991), drawing heavily on Tocqueville, have argued that America's rampant individualism is placing America's civil society in danger.

2c) Social Networks

Concepts of social networks are closely linked to those of social capital (Coleman 1988; Coleman 1990; Greeley 1997b; Lin 1999; Lin 2001; Paxton 1999; Putnam 1995; Putnam 1996; Putnam 2000). Scholars generally understand social capital to be the quantity and quality of resources (i.e., individual, group or community) that individuals can access through the various social networks in which they are embedded (Lin 1999; Lin 2001). That is, social capital inheres in the relations among and between persons, and like other forms of capital (e.g., cultural, human, physical) it facilitates productive activity (Coleman 1988; Coleman 1990). Social capital involves more than the accumulation of social ties, however. It also involves "transforming contingent relations, such as those of neighborhood, the workplace, or even kinship, into relationships that are at once necessary and elective, implying durable obligations subjectively felt (feelings of gratitude, respect, friendship, etc.)" (Bourdieu 1983). Thus, ties between individuals need to also exhibit reciprocity, trust and positive emotions (Paxton 1999:93, 95).

2d) Cultural Capital

In a frequently cited article, Bourdieu {Bourdieu, 1983 #2839} identifies three different types of capital: economic, social and cultural. Bourdieu's "economic" capital is largely synonymous with Becker's human capital – a productivity-enhancing attribute of individuals. In contrast, social capital benefits individuals only insofar as they participate in social networks.

As for cultural capital, Bourdieu believes that in modern societies dominant classes use educational institutions and other means to "reproduce" the distribution of cultural capital among social classes in such a way that serves the interests of the dominant class. In this way they are able to monopolize control over the cultural capital needed to "succeed" in the modern world. Bourdieu's system is a closed one where class distinctions continuously and objectively reproduce themselves ad infinitum. [If this terminology strikes you as less than clear, you're not alone.]

3. RELIGIOUS CAPITAL

Iannaccone (1984; 1990; 1991) introduced the term “religious capital” to explain patterns of religious beliefs and behavior, over the life-cycle, between generations, and among family and friends (see also (Neuman 1986)). The motivating intuition, underscored by numerous empirical studies, is that people’s past experiences (most notably their religious upbringing) heavily influence their current religious beliefs and behavior.

Iannaccone modeled religious capital accumulation as a by-product of religious activity, hence an instance of what Becker, Landes, and Michael (1977) termed “consumption capital.” Assuming that individuals chose their consumption levels rationally (and non-myopically), the general model extends to most non-myopic forms of experience effects, habit formation, rational addiction, or endogenous taste change (see, for example, Sigler and Becker (1977), Becker and Murphy (1988), and Becker (1996). On the other hand, most work on religious capital, including Iannaccone’s, has not emphasized this feature of the model, nor has it attempted to apply insights from the economic literature on addiction, habit formation, taste change, time inconsistency, and self-control.

As modeled by Iannaccone, religious capital has several key features: it enhances the utility derived from current religious activity, it grows as a consequence of past religious involvement, it is “context-attuned” and hence of greatest value in religious settings similar to those in which it was obtained, and it is complementary with the religious activities and capital of other family members.

Together with a (Beckerian) model of religious commodity production, religious capital thus explains many well-documented characteristics of religious behavior, including tendencies to: convert only at young ages, marry within one’s religion (and face higher risk of divorce otherwise), and maintain a single denominational identity over time and across generations. Note also that although religious capital model does not exclude afterlife motivations, it does provide an alternative explanation for age-increasing rates of religious participation that remains applicable even among people who do not expect participation to enhance their afterlife prospects.

In principle, one may measure religious capital in ways analogous to those used to measure standard human capital – e.g., by tracking years of religious instruction, levels of past religious activity, exposure to specific religious traditions, or knowledge and skills – ranging from knowledge of specific hymns, rituals, and scriptures to familiarity with the members and activities of specific congregations.

Although Iannaccone defines relationships as a form of religious capital, his model does not exploit this feature (except as a basis for predictions concerning religious intermarriage, family interactions, and the stability of religious choice over time and across generations). Stark and Finke (Stark and Finke 2000) have considerably more to say about the social and cultural dimensions of religious capital and specifically distinguish these from (ordinary individual-level) religious capital. (See also Finke’s essay prepared for the Spiritual Capital Planning Meeting.)

4. INTERACTIONS: RELIGION AND SOCIAL CAPITAL

Despite the immense interest in social capital, relatively little work concerns its relationship to religion – almost certainly a serious oversight given Putnam’s finding that nearly half of all associational memberships, personal philanthropy, and volunteering in the U.S. are church-related. These data suggest that “[f]aith communities in which people worship together are arguably the single most important repository of social capital in America” (Putnam 2000).

Putnam also suggests that religious feelings and participation raise participation rates in secular social activities. As evidence of this, he notes that religiosity rivals education as the most important correlate of civic participation and, often, individuals take the social and leadership skills they learn in their church activities and transport them to their non-church activities. It is not merely personal faith, but also the interpersonal connectedness experienced through religious activities that motivates civic engagement both within and beyond congregations (p. 67). Other studies have shown that religion plays an important role in influencing Americans to volunteer in other aspects of the lives of their communities (Wilson and Janoski 1995; Wilson and Musick 1997).

Putnam views church-related social capital as having declined over time, both as church attendance and membership rates have receded from their 1950s peaks and as the character of religion has become more “privatized” (i.e., more self-focused. As mainstream churches place less emphasis communal identity and commitment and more emphasis on personal fulfillment, religion becomes a less effective source of social capital. Further erosion occurs as Americans reduce their levels of attachment to a single congregation and denomination. Insofar as religious involvement has spillover effects, these changes will also reduce participation in secular groups.

On the other hand, Putnam and Feldstein (Putnam and Feldstein 2003) also recognize that some recent developments may work to counter these trends, most notably the growth of large “megachurches”. By virtue of their immense size, megachurches can offer numerous special-purpose subgroups, which help connect people to others who share their interests, characteristics, and needs. Thus, despite their large and fluid membership, megachurches can be highly responsive to individual preferences and needs. This focus on attenders as “customers” draws criticism from traditional churches, but competition and innovation are standard features of competitive religious markets. And, according to Iannaccone, Finke, and Stark, it is precisely this mix of competition and innovation that has insured the continuing vitality of American religion and high rates of participation relative to nearly all other developed countries (Iannaccone, Finke, and Stark 1997).

Indeed, Putnam (Putnam 2002) finds evidence of religious decline in “in virtually every European country (p. 408)” – an observation supported by Iannaccone’s (2003) recent reconstruction of 20th-century attendance trends in more than 30 nations. This would seem to suggest that loss of church-based social capital is even more problematic for Canada, Australia, and many European countries than in the U.S. (On the other hand, the empirical work of Glaeser,

Laibson, and Sacerdote (Glaeser, Laibson, and Sacerdote 2002) suggests that social capital depends much more strongly on peoples' individual incentives than their group membership s.)

If Putnam is correct that religiosity and church membership are important determinants of social capital *and* that church-based social capital is eroding, then knowing the magnitude and consequences of erosion are critically important.

For example, one possible consequence might be slower economic growth due to reduced levels of trust. We have good reasons, both theoretical and empirical, to believe that trust tends to be high among the members of congregations (and, to a lesser extent, among members of the same religion). We also have good reasons to believe that trust facilitates growth – see Arrow (Arrow 1972), Fukuyama (Fukuyama 1995), and Knack and Keefer (Knack and Keefer 1997).¹

Although Putnam believes that voluntary associations will play a crucial role in reversing the decline in social capital, and he points to faith communities as America's most important form of associational life. But Putnam does not view all faith communities as equally good sources of social capital. He favors religions that foster "bridging" capital, which turns members outward and promotes concern for the generalized other. Other religions foster "bonding" capital, which turns people inward and focuses concern on friends and fellow members. Although the terminology is new, the net result is to favor liberal/inclusive over conservative/exclusive denominations – a very old and very common tendency among academic researchers (as emphasized by Stark 19xx). The pro-liberal view runs up against some difficult facts, however, including: the fact that demographic sub-groups most in need of social support show a clear preference for conservative groups; the fact that conservative church members average higher rates of contributions and volunteer work; the fact that religious decline has been vastly greater among liberal denominations.; and the fact that the evangelistic efforts of extremely conservative groups (including the Jehovah's Witnesses, Adventists, Mormons, and Christian charismatics) have been phenomenally successful in Asia, Latin America, sub-Saharan Africa, and Asia.

... Evidence, perhaps, that we really do need a better understanding of spiritual capital.

*As befits an incomplete preliminary study,
we end without anything remotely resembling an conclusion.*

¹ Knack and Keefer report that Putnam's metric for social capital (i.e., group membership) does not correlate well with trust levels or economic performance. One possible explanation is the sclerosis argument advanced by Mancur Olson (19xx). Another possibility is that in pluralistic cultures, higher levels of religiosity both increase trust among people of the same religion and decrease trust among people whose religions differ. Glaeser, Laibson, Scheinkman, and Soutter (Glaeser and et al. 2000) provide experimental evidence that trust and trustworthiness increase when individuals are more similar socially. This finding seems consistent with Knack and Keefer's claim that ethnic homogeneity improves growth.

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