

## America's Spiritual Capital

**Nicholas Capaldi**

**Theodore Roosevelt Malloch**

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Economic analysis lends itself most readily to observable, quantifiable data. Unfortunately, these data do little to explain the cooperation among individuals and the creation of institutions that are fundamental to the growth of a market economy and prosperity. Nicholas Capaldi and Theodore Roosevelt Malloch believe that the primary explanatory variable that promotes economic prosperity is spiritual capital: "our most fundamental beliefs concerning who we are and the meaning of our lives, with special regard to how those beliefs relate to our professional careers and economy (2)." Spiritual capital is the soil from which grow institutions that respect and promote the autonomy and productive capacities of individuals.

The book is divided into six chapters. In chapter 1, the authors define spiritual capital as above. Spiritual capital is not a subset of social capital. Rather, it is all encompassing. Social capital arises within a framework provided by spiritual capital. The spiritual capital itself provides individuals and institutions direction by identifying their "relation with God." Chapter 2 progresses with an analysis of Judeo-Christian spiritual capital. The authors posit that from the core of this spiritual capital derives the belief that humans are inherently autonomous—made in God's image—and that the universe is orderly and that this order is knowable in part. The acceptance of free will and partial knowledge that are part of this spiritual capital promotes universality, tolerance, and limited government. Chapter 3 opens by describing the "logic of modernity" as beginning with the "technological project"—the quest for human betterment by way of the manipulation of nature—which required the growth and protection of individual autonomy. This was the driving force behind the growth of robust free-market economies, limited government, and the rule of law. America, more than any other nation, has maintained the technological project owing to a strong tradition of faith in the Judeo-Christian God, lack of rigid social structure, and a high degree of tolerance.

Chapter 4 reads much like a modern rendition of Weber's *Protestant Ethic and the Spirit of Capitalism*. The authors credit the technological project to the moral foundation present within the Judeo-Christian tradition. This encouraged economic growth and prosperity in the West, especially in America. Chapter 5 analyzes the narratives of liberty and equality, the two dominant narratives that permeate culture and intellectual discourse. The liberty narrative promotes individual autonomy and productivity as a remedy for poverty while the equality narrative inherently demands collectivist policies and wealth redistribution as a solution. Both narratives draw from the Judeo-Christian tradition, but the authors consider the latter a heretical, utopian interpretation of the tradition. Chapter 6 closes the book by arguing that modern secular society promotes, often unwittingly, a scientific narrative that assumes that all observed social and scientific phenomena can be explained materialistically. This narrative supports moral relativism, and its logical

end is the arbitrary justification of the moralities of those who adhere to it. The authors believe that this narrative can lead society into material and moral impoverishment. Revival of the Judeo-Christian narrative, on the other hand, can help procure prosperity into the foreseeable future.

Capaldi and Malloch have made a tremendous contribution to the development literature by evidencing spiritual capital as fundamental for economic growth. Their theory is able to explain not only the origins of institutions such as the rule of law and limited government, thus making it a relevant supplement to works like *Why Nations Fail* by Acemoglu and Robinson and *Violence and Social Orders* by North, Wallace, and Weingast, but also the origins of pro-commerce and pro-individualist ideology that supports these institutions. Underlying these is a faith concerning how the world is ordered and the role of the individual in that world. Throughout *America's Spiritual Capital*, the authors apply the lens of spiritual capital to Western economic development in general. This makes for not only a thoroughly enjoyable read but also a platform on which a more thorough historical investigation might rely.

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