

Clarifying the Concept of Spiritual Capital

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Abstract

The notion of "spiritual capital" has been the subject of growing interest in recent years; however, the concept remains poorly defined. Based on a review of the academic literature and on interviews and focus groups conducted with leaders and volunteers of over fifteen NGOs and community groups in Hong Kong, Macau and Taiwan, this paper proposes a preliminary conceptual framework for understanding, generating and applying spiritual capital. We discuss the problematic aspects of the concept and its potential for offering a critical, engaged perspective on the social relations of capital and identifying the means for transforming them through the application of spiritual motivations and values. We define spiritual capital as *"the individual and collective capacities generated through affirming and nurturing the intrinsic spiritual value of every human being"*. In contrast to some other definitions and theorizations of spiritual capital, this conceptual framework stresses (1) that spiritual capital is an autonomous form of value which is not merely a subset of social, cultural or religious capital; (2) that spiritual capital is based on the affirmation of intrinsic value and, as such, offers a critical perspective on instrumental concepts of capital and its conversion; (3) that spiritual capital generates and transforms social and material relations. Spiritual capital is generated through the affirmation and nurturing of the intrinsic, infinite spiritual value of each human being. When this affirmation and nurturing are built into the organizational culture of a third sector organization, it enhances individual and group capacity to pursue intrinsic goals and serve the common good.

Background

In the spring of 2012, the Faculty of Social Sciences of the University of Hong Kong, in collaboration with the Hong Kong Jockey Club, launched the ExCEL3 (Excellence and

Capacity Building on Entrepreneurship and Leadership for the Third Sector) initiative, which “aims to build the capacity of Non-Governmental Organisations and empower civil society in Hong Kong, as well as build research and teaching capacity in the study of civil society within the University. Through training, sharing, and research, the project seeks to nurture innovation and entrepreneurship, to strengthen the leadership, management, governance and organisational capacity of the third sector; and to build a platform that brings together philanthropists, foundations, and institutional investors with Non-Governmental Organisations, as well as the academic community.”¹ Themes of research and training include advocacy, citizenship, civic engagement, evidence-based practice, leadership and governance, philanthropy, and social entrepreneurship and innovation. Within this framework, collaborative projects have been launched in such areas of elderly rights advocacy, corporate social responsibility, environmental impact, grassroots women organizations, self-help groups, organizational empowerment and spiritual capital.

The ExCEL3 spiritual capital project (SPIRIT3) began with the realization that religious and spiritual communities are one of the main forces behind the development of the third sector in Hong Kong. According to various measures, 50-70% of tax-exempt societies and non-governmental social service providers in Hong Kong can be classified as faith-based NGOs (FBOs). Values are a fundamental driving force for individual and collective social action. Religions are one of the main sources of these values, as evidenced by the role of FBOs in Hong Kong; and many other third sector organizations, which do not have any religious origin or affiliation, are also strongly driven by values in their orientations, motivations and modalities of social action.

This project focuses on values associated with a spiritual orientation to life. The individual and collective capacities generated by a spiritual orientation to life, can be termed “spiritual capital”. This project investigates how a spiritual orientation to life can increase individuals’ capacity to serve, cooperate in, lead and sustain projects and organizations devoted to serving the common good. We assume that the extent to which this potential is realized and contributes to the collective capacity of organizations and communities, depends on the existence of an organizational culture which nurtures the spiritual orientation and directs its expression towards prosocial behaviour and a path of service to others.

We have begun a series of case studies of local and international FBOs, with the aim of understanding how “spiritual capital” is generated and applied at the individual, group and societal levels by these organizations. In order to identify “best practice” cases, we surveyed the landscape of FBOs in Hong Kong and eliminated two types of groups: (1) large local FBOs which, though they play an important role in the provision of social services in Hong Kong, have become so institutionalized that they operate in a manner similar to government or secular agencies, and it is difficult to identify how faith or spirituality influences their daily operations; and (2) groups which are exclusively devoted to the propagation of their own religion, or service to their own religious community. Rather, we sought to identify groups which are deeply motivated and inspired by their faith or spiritual orientation, which they endeavor to express in an innovative fashion, through the culture of their organization and their social action, in a manner that is not restricted to members of a single religious community but inclusive to the broader society. After visiting some 15 groups in Hong Kong, Macau and Taiwan, we used

¹ http://foss.hku.hk/ExCEL3/?page_id=1974, accessed 19 June 2013.

criteria of access, uniqueness, innovation and diversity of areas of service, to identify five local and two international organizations (present in Hong Kong) for case studies.

These organizations are:

- Mothers' Choice, a Christian-inspired NGO which cares for pregnant teenage women and their babies or orphans.
- The Centre for Spiritual Progress to Great Awakening, a Buddhist NGO which operates a social enterprise for women suffering from depression.
- Fullness, a Christian social enterprise which employs former convicts.
- Christian Concern for the Homeless, which works to empower homeless people.
- Tung Ching Yuen Buddhist Society, an organization grounded in folk religion which promotes volunteering and philanthropy among local populations.
- YES Network, a Christian-inspired incubator of youth social enterprises.
- Tzu Chi Buddhist Compassionate Merit Society, a Taiwan-based international NGO with a wide range of activities centred on volunteering as a form of Buddhist spiritual cultivation.
- The Baha'i international community, a global religious community with a wide range of activities and Baha'i-inspired NGOs with a focus on grassroots participation and decision-making.

Besides producing academic research, the aim of SPIRIT3 as a component of ExCEL3 is to produce cases and educational resources for capacity building in the third sector. As an action research project, it aims to combine the experience of innovative NGOs with academic resources in social scientific theory and research methodology. Rather than seeing the selected NGOs as "objects" of research, we see them as collaborators and, through interviews, focus groups, informal discussions, workshops and forums, we aim to include them throughout the process of developing the conceptual framework, methodology and outcomes of this project.

The purpose of this project is to create a space among practitioners for the generation of knowledge and best practice on the generation and application of spiritual capital in third sector leadership and management. In the first phase of the project, research is being conducted using grounded theory, interviews, focus groups and ethnographic observation to meet the following objectives:

- (1) Elaborate a conceptual framework on "spiritual capital" which is grounded in the experience of third-sector organizations, with a focus on faith-based organizations (FBOs), and articulated with the social scientific literature on spiritual capital and social capital
- (2) Identify how the spiritual orientation of FBO leaders, staff and volunteers translates into core values and principles guiding the leadership, management and service of their

organization

(3) Identify the practices derived from or expressing these core values and principles, which increase the collective capacity of the organization as well as the individual capacity of leaders, staff and volunteers.

(4) Write case studies of organizations in Hong Kong and internationally, which illustrate best practices in terms of points (1), (2) and (3)

(5) Develop workshops and training materials on enhancing spiritual capital for third sector organization leaders, staff and volunteers.

Problematizing spiritual capital

Capacity building has become a major concern for third sector organizations. NGOs are recognizing that besides putting resources into their programs and service delivery, they also need to dedicate resources into internal capacity building for sustainability and performance. The concept of capacity building in nonprofits is similar to the concept of organizational development in for-profits, with an emphasis on increasing NGO performance in terms of effectiveness, cost-efficiency, impact and accountability.² The adoption of business management models and jargon in NGO capacity building has led to some debate over whether NGOs should become more business-like – what Tyndale (2006) laments as the “seemingly inexorable slide of many of them into the managerial ‘business’ culture... Will they be able to resist being drawn [into a] process that in the end is designed to achieve goals that have been largely determined by technocratic modes of thought?”³

In the current crisis of capitalism, there is a growing consensus that an exclusive focus on economic values and growth is not enough, and a more holistic consideration of well-being, including its spiritual dimension, is needed. Development and civil society research have typically been studied through the lenses of economics, business, technology, management, and the social and political sciences. There has been a notable lack of discourse as to the role of religion, spirituality and faith in such issues, as if such engagement would somehow lead to ‘unscientific debate’.⁴

Since the 1990s, however, there has been an increasing recognition of religious inspired, or what are more commonly termed faith-based organizations (FBOs) and their contribution to civil society. One emerging concept is spiritual capital, the “latest iteration in a series of theories of capital that try to account for the range of values present or generated in society”⁵ Yet there remain obvious gaps in the conceptualization of the meanings and connections between religious values, spiritual capital and social action in the third sector.

² Fowler A. et al. *Participatory Self-Assessment of NGO Capacity*, Occasional Papers Series No: 10. INTRAC, 27 Feb 2009

³ Tyndale, Wendy. *Visions of Development: Faith-Based Initiatives* Hampshire, U.K.: Ashgate, 2006, p.59

⁴ Tyndale (2006)

⁵ Middlebrooks, Anthony, and Alain Noghiu. "Leadership and Spiritual Capital: Exploring the Link between Individual Service Disposition and Organisational Value." *International Journal of Leadership Studies* 6, no. 1, 2010

We chose the concept of “spiritual capital” for this project as a potentially fruitful way to identify and operationalize the link between spirituality and capacity building, primarily because it is not restricted or equivalent to mere religious affiliation, and because it entails engagement with sociological theories of capital including social, cultural and economic capital. It postulates an intriguing link between the transcendental connotations of the “spiritual” with the social and material transformations implied by “capital”. We hope to develop a conceptual framework for understanding, generating and applying spiritual capital, which is equally grounded in sociological theory, the experience and practice of third sector organizations, and the universal spiritual and ethical principles of the world's philosophical and religious traditions.

At the onset, however, we must admit that “spiritual capital” is an inherently problematic concept, about which several of our collaborators have expressed doubt or resistance. In the course of our discussions, one partner considered the term an “oxymoron;” another questioned the appropriateness of combining the noble aspirations associated with the term “spiritual” with the “root of wickedness in the world” associated with the term “capital”, and suggested replacing “spiritual capital” with “spiritual value”. Yet another warned against seeing “spiritual capital” as some kind of an add-on or plug-in, something which could be used to temper, soften or mystify, but leave ultimately unchanged, a core of materialist practices and ideology which are fundamentally incompatible with spiritual values.

Indeed, much of the current discourse on spiritual capital has taken place in the field of business management. An enterprise which is driven by the deep values, sense of purpose and ethic of service which are at the core of spiritual capital, will arguably be a better corporate citizen, enjoy a more motivated and united leadership and workforce, and consequently combine higher values and success in the market. However, while we recognize the importance and value of such efforts, we are also conscious of the potential danger of enlisting "spiritual capital" as a mere resource in the service of financial and economic capital. An exploration of spiritual capital must beware of encapsulating spiritual values within the circumscribed domains of personal leadership and human resource management, within an economic system whose very assumptions and principles of operation, based on the unfettered pursuit of self-interest and material accumulation, are antithetical to the deep motivations at the core of spiritual capital. Thus, we consider that any conceptual framework on spiritual capital must critically examine the relationships between different forms of "capital", including social, human, financial and economic capital, and the logics inherent to each. And we consider that although non-profit organizations and social enterprises in the Third Sector have been relatively neglected in discussions of spiritual capital, they are ideal cases for investigating the nature and operation of spiritual capital. Most such organizations have indeed consciously chosen, as their ultimate objective, to create social value which is greater than economic profit and different than political power. Our use of the concept of spiritual capital does not aim to simply extend prevailing notions of economic capital to the realm of spiritual values, but to take spiritual values, grounded in the praxis of third sector organizations, as the starting point of a critical engagement with social scientific theories of capital.

Literature review

The use of the concept of spiritual capital has appeared sporadically in the last 20 years,

but has intensified in frequency since the early 2000s. In 2003 for example, the Metanexus Institute launched a \$3 million Templeton Research program into spiritual capital. In 2004 Danah Zohar and Ian Marshall published a book on Spiritual Capital, and have been referred to as pioneers of the concept.⁶ Since then, a small number of articles and books have been published in the disciplines of sociology, economics, management and theology, establishing spiritual capital as an emerging field of academic discourse. However, there is little consistency on the concept and a lack of theorization. There is little agreement about what exactly is meant by the terms spirituality and capital, let alone spiritual capital, and the literature also focuses on different levels of analysis. These different definitions reflect the ambiguous utility of the term 'spirituality', which is a useful category that "avoids pinning down religious phenomena with clear-cut definitions".⁷

Emergence of the concept

Karl Marx and Capital

Most of our present understandings of 'capital' originate from Marx's introduction of the term 'capital' in classical economics, which described three basic facets of production: physical assets, land, and labor. Marx differentiated between constant capital – forms of capital invested in production, and variable capital – a more abstract dimension of capital, subject to change and circulation, thereby introducing a social component to capital. Capital was thus introduced as a "dynamic metaphor for the fluid entity that, by virtue of its circulation, accrues material value."⁸ Capital can thus be understood not only as a concrete entity, but also as socio-economic relations. "It is this, more abstract, dimension, together with its metaphorical connotations of exchange and circulation, which has shaped the multiple development of 'capital' as a social scientific reference to *mobilisable resources*."⁹

From this we can trace a rich conceptual history to other concepts of capital, including human capital, cultural capital, social capital, religious capital, and most recently spiritual capital.

Human capital

Gary Becker (1964, 1976) refers to the skills, experiences, knowledge, personality, reputation and credentials of a person as human capital – resources that reside in human beings that can be traded for economic gain. It is a non-material form of capital that refers to the added value derived from investment in human beings and can take many forms, such as enhancing and preserving individuals' skills and capacities through education and health care.¹⁰

Cultural capital

⁶ Middlebrooks & Noghiu (2010): 74

⁷ Guest: 2007: ??

⁸ Guest, M. J. "In Search of Spiritual Capital: The Spiritual as a Cultural Resource." In *The Sociology of Spirituality*, edited by Kieran Flanagan and Peter C. Jupp. Ashgate: Aldershot, 2007: 183

⁹ Guest (2007): 3 (original italics)

¹⁰ Iannaccone, Laurence R., and Johnathon Klick. "Spiritual Capital: An Introduction and Literature Review." Preliminary draft, prepared for the Spiritual Capital Planning Meeting, October 9-10, 2003.

According to Bourdieu (1984; 1986), *cultural dispositions* – behavioural and stylistic conventions – acquired through education can be used to get jobs, money and status. Bourdieu's notion of *cultural capital* thus refers to the value people gain from their belonging to a particular culture. Whilst Becker focuses on the capacities of the individual, Bourdieu looks at the macro-level, at the nature of association between individuals, and thus introduces the political dimension of capital, which is seen as not just about human capacity but also about power struggle and social inequalities.

Social capital

Like human capital, social capital makes our lives more productive and thus has political, institutional and economic value. The concept is most readily associated with Putnam (2000, 2001) who suggests that "social capital refers to connections among individuals – social networks, and the norms of reciprocity and trustworthiness that arise from them" (Putnam, 2000: 19). Putnam's contribution towards the development of the concept is in his distinction between two kinds of social capital: bonding capital and bridging capital. He also observed that religion is by far the largest generator of social capital in the U.S. context – nearly half of all volunteering and personal philanthropy in the U.S. is church-related.¹¹

The introduction of social capital set the stage for examining value creation at levels of analysis "smaller than society at large, namely the community and the organization."¹² From this conceptual background, the notions of religious and spiritual capital appeared.

Religious capital

Iannaccone (1990: 299) defines religious capital as the "skills and experiences specific to one's religion, including religious knowledge, familiarity with church ritual and doctrine, and friendships with fellow worshippers which produce religious resources that people define as valuable and explain religious behaviour." Starke and Finke (2000:120) define it as "the degree of mastery of and attachment to a particular religious culture." Such emotional attachments and mastery become investments over time, constituting religious capital.

Instead of seeing religious capital as resources that individuals acquire through participating in a religious group, Baker & Skinner (2006) interpret religious capital as "the public interaction of faith-based groups with wider society rather than the creation of a more 'efficient' religious person."¹³ Baker and Smith (2010) describe religious capital as "the practical contribution that faith groups make to society by creating networks of trust, guidance and support (e.g. through the use of a building, volunteers, paid community workers, training organizations and activities for particular age or interest groups etc.)."¹⁴

¹¹ Ganiel, Gladys. "Spiritual Capital and Democratization in Zimbabwe: A Case Study of a Progressive Charismatic Congregation." *Democratization* 16, no. 6 (Dec 2009): 1172-93: 1175

¹² Middlebrooks & Noghiu, 2010

¹³ Baker, Chris, and Hannah Skinner. "Faith in Action: The Dynamic Connection between Spiritual and Religious Capital." Final Report of The William Temple Foundation's Research Project, (2002-2005), 2006: 11

¹⁴ Baker, Chris, and Greg Smith. "Spiritual, Religious and Social Capital - Exploring Their Dimensions and Their Relationship with Faith-Based Motivation and Participation in UK Civil Society." Based on a paper presented at the BSA Sociology of Religion Group Conference, Edinburgh April 2010, 2010: 9

Spiritual Capital

Currently, the trend seems to be to abandon the use of the term religious capital in favour of spiritual capital.¹⁵ The emergence of spiritual capital reflects the “growing recognition in the social sciences, and some policy circles as well, that religion is not *epiphenomenal*. Neither is it fading away from public significance around the world, indeed, it is a critical factor in understanding every facet of life from the radius of trust to behavioural norms – all of which have vast economic, political and social consequences.”

¹⁶

Concepts of spiritual capital have emerged in several bodies of literature: (a) in the field of leadership and management, through efforts to bring the individual concept of spiritual intelligence to the individual/organizational level (Zohar & Marshall, 2004); (b) in the field of economics, through attempts to assess the value of spirituality and religion in economic terms (e.g. Metanexus Institute, 2003); (c) in sociological theory, engaging with the work of Bourdieu (Verter, 2003); and (d) in theological terms, through efforts to understand the operation of faith in social service (O’Sullivan & Flanagan, 2012, Rima 2012). While these paths overlap, each offers a different conceptualization of spiritual capital.

Efforts to operationalize spiritual capital have been applied to different levels: the individual (Zohar & Marshall, 2004); the organizational (Middlebrooks & Noghiu, 2007; Miller, 2006); specific faith communities (Baker & Skinner 2006; Baker & Smith 2010); and the broader community or nation (Eldred, 2005; Baker & Miles-Watson, 2008).

Perhaps the most succinct definition of spiritual capital to date is that proposed by Alex Liu: *spiritual capital is the power, influence and dispositions created by a person or an organization’s spiritual belief, knowledge and practice.* (Liu...)

Economic approaches

Commissioned by the Metanexus Institute and the John Templeton Foundation, in 2003 the Spiritual Capital Research Program announced a \$3.75 million grant “to catalyze the emergence of a productive, vital and interdisciplinary research field of spiritual capital in the social sciences, with particular attention to building connections to *economics*.”¹⁷ After a strategic planning meeting, the working definition of spiritual capital developed is: “the effects of spiritual and religious practices, beliefs, networks and institutions that have a measurable impact on individuals, communities and societies.”¹⁸

This definition remains overly broad and vague. Several researchers associated with the research program (Berger & Hefner, 2003; Finke, 2003; Iannaccone & Klick, 2003; Malloch, 2003; Woodberry, 2003) proposed their own definitions of spiritual capital in their working papers prepared for the strategic planning meeting, each emphasizing different attributes of spiritual capital. For Malloch (2003), spiritual capital is the

¹⁵ Ganiel (2009): 1176

¹⁶ John M. Templeton Foundation. “White Paper on Spiritual Capital” Paper written for the *Forum on Spiritual Capital* organized by the Spiritual Enterprise Institute, 2005

¹⁷ Spiritual Capital Research Program,

http://www.metanexus.net/archive/spiritualcapitalresearchprogram/about_overview.asp.html Accessed 27 Sep. 2012. (own emphasis)

¹⁸ *Ibid.*

“missing leg in the stool of economic development, which includes its better known relatives, social and human capital.”¹⁹ For Finke (2003) and Iannaccone & Klick (2003) spiritual capital is confusingly discussed interchangeably and synonymously with religious capital, without explaining this difference in terminology. Berger & Hefner (2003) describe spiritual capital as the “sub-species of social capital, referring to the power, influence, knowledge, and dispositions created by participation in a particular religious tradition.”²⁰ In the words of one critic, Maria Hammerli, the authors have “difficulty differentiating *specifically* religious and spiritual resources from other forms of capital embedded in religious practice.”²¹

In the book *Hidden Forms of Capital*²², Berger & Redding (2010) define spiritual capital in functional terms, as a “set of resources stemming from religion and available for use in economic and political development.” According to the authors, the word ‘use’ is to be interpreted loosely as a kind of influence process.²³

Sociological/ cultural construct

Building on Bourdieu’s concept of cultural capital, Verter (2003) identifies three forms of spiritual capital aligned to the three forms of cultural capital asserted by Bourdieu: spiritual capital as an embodied state, as an objectified state, and as an institutionalized state. “Thus, if religious capital conceived a la Bourdieu as something that is produced and accumulated within a hierocratic institutional framework, spiritual capital may be regarded as a more widely diffused commodity, governed by more complex patterns of production, distribution, exchange and consumption.”²⁴

Subsequently building on Verter (2003), Guest (2007) analyzes spirituality through the notion of spiritual capital as a cultural resource, subject to acquisition, development, maintenance, transmission and exchange.²⁵ Guest’s discussion highlights both the “fluidity of spiritual resources and their propensity to be converted into other forms of capital under certain conditions.”²⁶

The economic and sociological literature tend to see religious and spiritual capital as subsets of social and cultural capital, primarily as the social and cultural resources which accrue from participation in religious knowledge, practices and communities. “Religious” and “spiritual” capital tend to be used interchangeably, distinguishing the two, if at all, primarily in terms of degrees of institutionalization – with religious capital deriving from participation in organized religious communities, and spiritual capital as a more fluid, vague version of religious capital which is not limited by the boundaries of religious institutions and membership. Both economic and sociological constructs of spiritual capital tend to define it as a *functional* resource to be used in order to acquire something

¹⁹ Malloch, Theodore. "Social, Human and Spiritual Capital in Economic Development." Paper written for Templeton Foundation, Working Group of the Spiritual Capital Project Harvard University, October, 2003.

²⁰ Berger & Hefner (2003)

²¹ Hammerli, Maria. 'Religion and Spirituality between Capital and Gift' *Religion & Theology* 18 (2011): 201 (own emphasis)

²² Berger, Peter, and Gordon Redding, eds. *The Hidden Form of Capital: Spiritual Influences in Societal Progress*. London: Anthem Press, 2010.

²³ Berger & Redding (2010): 14

²⁴ Verter, Bradford. "Spiritual Capital: Theorizing Religion with Bourdieu against Bourdieu." *Sociological Theory* 21, no. 2 (June 2003): 158

²⁵ Guest (2007)

²⁶ Guest (2007): 192

else. Ultimately, it is seen through the lens of the instrumental use of spiritual or religious resources for political, social or economic ends.

Critical perspectives

The 'capital' in spiritual capital

Other authors take issue with joining the seemingly antagonistic notions of “spiritual” and “capital”. Capital is suggestive of material, utilitarian and economic logic, whereas spirituality is generally understood to be more of an inner disposition. To characterize spirituality in the taxonomy of capital, “a language of exchange and use”, suggests that “spirituality serves a purpose beyond itself, it has use.”²⁷ Such an economic analogy is said to be ill-suited to faith-based organizations, as the concept leads to a “fundamental misunderstanding of what is distinctive of faith”.²⁸ Hämmerli (2011) argues that the capital paradigm is highly indebted to economic thought and holds utilitarian and functionalist characteristics – reducing religion to its social and political function and dissolving the nature of the religious into the non-religious²⁹. Moreover, Hämmerli criticizes spiritual capital as accounts of “capital and power relations in a religious setting”³⁰, rather than understandings of what is specifically religious/spiritual that can be interpreted as a resource with effects in different sectors of human and social life. Woodberry (2003) adds that there is a danger in overemphasizing religion as a means to reach particular ends, whereas “religion is also concerned about *shaping which ends* people seek”³¹.

Intrinsic vs. Instrumental Value

For these authors, spiritual capital may be a resource, but it is not *only* a resource. Any further development of the spiritual capital definition would have to account for the relationship between *intrinsic* and *instrumental* values. As for its intrinsic qualities, spiritual capital involves the desire to see *spiritual as well as* material outcomes. “It will stress the importance of process, as much as outcomes. It often seeks to address issues of power and injustice in a challenging prophetic way. Sometimes it will stress the importance of just ‘being there’ within communities. Volunteering, simple hospitality, and reluctance to assume that power is always the right way to achieve results, are all alternative ways of providing capital that can ‘bond’, ‘bridge’ and ‘link’ but not necessarily in measurable and predictable ways.”³²

Woodberry (2003) claims that spiritual capital is different from other forms of capital because it is concerned with more than trust, material resources, and culturally valued knowledge. For Woodberry, religions are not only “repositories of financial, human, social and cultural capital, but also sources of moral teaching and religious experiences that may motivate, channel, and strengthen people to reach particular ends...[they] may

²⁷ Keller, J. Gregory, and Rob Helfenbein. "Spirituality, Economics, and Education: A Dialogic Critique of 'Spiritual Capital.'" *Nebula* 5, no. 4 (Dec 2008): 116

²⁸ Montemaggi, Francesca. "Misunderstanding Faith: When 'Capital' Does Not Fit the 'Spiritual'." *The International Journal of Interdisciplinary Social Sciences* 5, no. 5 (2010): 1

²⁹ Hämmerli, Maria. "Religion and Spirituality between Capital and Gift." *Religion & Theology* 18 (2011)

³⁰ Hämmerli (2011): 8

³¹ Woodberry, Robert D. "Researching Spiritual Capital: Promises and Pitfalls." (2003) (own emphasis)

³² Baker & Skinner (2006): 11

also shape how people use other forms of capital in ways these theories would not predict.”³³

Thomson (2006) also describes the unique dual quality of spiritual capital – although it may have instrumental value, it is based on commitment to intrinsic values. There is a “wholly non-instrumental nature of spiritual capital”³⁴ which is the principal source of personal and communal identity. In terms of instrumental value, it is expressed in forms of collective action and civic engagement. Thomson’s reference to Lasswell’s (1999)³⁵ conceptualization of base values (values being used to obtain scope values, instrumental) and scope values (values ultimately being sought, non-instrumental) provide yet another way to think about this intrinsic / instrumental quality of spiritual capital.

The dynamic tension between intrinsic and instrumental values is central to understanding the distinct nature of spiritual capital, and complicates social scientific theories of capital by asserting that not all capital is functional, available to be used simply as a means to an economic or social end. Seen in this way, the concept of spiritual capital leads to an interrogation on values that are desirable in and of themselves, while considering how such values are nurtured and reinforced, how they generate individual and collective capacity, and how they influence social, economic and political relations. Such a conceptualization of spiritual capital opens the question of the links between the transcendent and material dimensions of human life. Thus, as Zohar and Marshall claim, spiritual capital “transcends the usual notion of capital altogether”.³⁶

Clarifying the relationship between religion and spiritual capital

For Baker and Skinner (2006), spiritual capital has a dynamic connection with religious capital as it “energizes and informs religious capital by providing a theological identity and worshipping tradition, but also a value system, moral vision and a basis of faith.”³⁷ Whereas religious capital is the solid dimension – “the concrete actions and resources that faith communities contribute as a direct result of their spiritual capital”³⁸, spiritual capital is more *liquid* because it relates to “intangibles such as ideas and visions and is not exclusively claimed by a specific religious tradition”.³⁹

Spiritual capital does not have to be specifically related to any religion, religious belief or group. According to Zohar and Marshall (2004) spiritual capital is the “amount of spiritual knowledge and expertise available to an individual or a culture, where spiritual is taken to mean ‘meaning, values, and fundamental purposes.’”⁴⁰ It refers to “resources of the human spirit”, “shared meaning, shared purpose, shared vision of what most deeply matters in life – and how these are implemented in our lives and in our behavioral strategies”.⁴¹

³³ Woodberry (2003)

³⁴ Thomson, Ann Marie. "Preliminary Musings on the Relationship between Spiritual Capital and Civic Engagement for Democratic Self-Governance." (Draft paper), 2006: 10

³⁵ Lasswell, H.D. *The Analysis of Political Behavior*. London: Routledge, 1999.

³⁶ Zohar & Marshall (2004): 41

³⁷ Baker & Skinner (2006): 4

³⁸ Baker & Skinner (2006):5

³⁹ Baker & Skinner (2006): 12

⁴⁰ Zohar, Danah, and Ian Marshall. *Spiritual Capital: Wealth We Can Live By*. San Francisco: Berrett-Koehler Publishers, Inc., 2004: 41

⁴¹ *Ibid.*

From this perspective, spiritual capital is not restricted to individuals and organizations with a religious identity. It potentially exists in all individuals and groups which pursue intrinsic, transcendental values and purpose, even if they do so in an implicit, inchoate fashion. Religion, however, provides an explicit language to discuss and reflect on transcendental values and purpose, practices to connect with a transcendental reality and power, ethical guidelines to follow in individual behavior, and visions of social relations built on love, compassion or justice. Spiritual capital is related to an orientation, a search, walking a path, a process of growth; religious capital is related to the map, showing the path, the method of travelling and the destination. In theory, then, religion provides a natural framework to nurture spiritual capital. In reality, however, many religious communities and institutions do not do so, especially when concerns for the replication of tradition, for ethnic or sectarian identity construction, or for the management or accumulation of economic or political resources, become higher priorities than the spiritual nurturing and capacity building of their members. Thus, while there is an organic connection between spiritual and religious capital, the two do not entirely overlap – some religious individuals and groups may be weak in spiritual capital, while other non-religious individuals and groups may have high levels of spiritual capital.

The transformational nature of spiritual capital

Zohar & Marshall view spiritual capital as a *transformational* resource, beginning at the individual level and expanding outwards to the societal level. For them, societal transformation starts at the individual level and it requires spiritual capital.⁴² Applying this concept to organizations, those organizations rich in spiritual capital are not just sustainable, they are “evolutionary”; it “transforms itself from the inside...becomes a complex, adaptive, self-organizing system.”⁴³

Continuing this application to leadership and organizations, Middlebrooks & Noghiu (2010) assert an integrative role for spiritual capital between individual and organization. Their model proposes three assertions: spiritual capital manifests as successful organizational integration; spiritual capital is an intrinsic part of effective organizational functioning; and spiritual capital begins with measurable conceptual change at the *individual* level.⁴⁴ “As such, definitions of spiritual capital should include descriptions of individual dispositions that manifest as a sense of meaningfulness through: (a) belief in something larger than self, (b) a sense of interconnectedness, (c) ethical and moral salience, (d) a call or drive to serve, and (e) the capability to transfer the latter conceptualizations into individual and organizational behaviours, and ultimately added value. Thus, spiritual capital can be contrasted with workplace spirituality and spiritual leadership in that spiritual capital emphasizes realities that operate on the individual level of analysis such as ethical and service awareness, as well as a “capital” outcome, implying a tangible organizational benefit.”⁴⁵

Service and social action

These concepts of spiritual capital are linked to service. According to Zohar (2010) spiritual capital is “best expressed through a life devoted to service”.⁴⁶ It is by “seeking

⁴² Zohar, Danah, and Ian Marshall. "Want More \$\$\$? Try Spiritual Capital." (Transcript) *The Spirit of Things - ABC Radio National*, Broadcast Sunday 11 July 2004 6:00PM.

⁴³ Zohar & Marshall (2004): 42

⁴⁴ Middlebrooks & Noghiu (2010): 75

⁴⁵ *Ibid.*

⁴⁶ Zohar, Danah. "Exploring Spiritual Capital: An Interview with Danah Zohar." *Spirituality in Higher Education* 5,

meaning in our lives and acting in accordance with our deepest values that we can commit ourselves to lives of service based on the capacity that we are best suited to, whatever we choose to do personally or professionally.”⁴⁷

Similarly, Middlebrooks & Noghiu (2010) also see the practical expression of spiritual capital through service: “Since it is a practical expression of the underlying capacities associated with spiritual capital, a strongly developed individual service disposition becomes an essential element in the development of spiritual capital at the organizational level. As also suggested in the transformational leadership, servant leadership, and spiritual leadership literature, in order for spiritual capital to become an organizational asset, a service disposition should be espoused by leaders and followers alike.”⁴⁸

Baker & Smith (2010) also see the link between individual motivation and practical action, defining spiritual capital as “the spiritual values and vision for the future that we express in activities such as prayer and worship, and which motivate us to make a practical contribution to society.”⁴⁹ They also suggest that a ‘virtuous cycle’ of social capital production can occur when spiritual values and theological motivation are connected to practical action.⁵⁰

Our working definition of spiritual capital builds on the afore-mentioned critiques to assert that it is *foundational*⁵¹ -- based on the primacy of intrinsic over instrumental values --, *transformational*, and that it finds expression through *service to others*.

A Working definition of spiritual capital

Our working definition of spiritual capital is “*the individual and collective capacities generated through affirming and nurturing the intrinsic spiritual value of every human being*”.

Capital is a form of *value*. For our present purposes, we consider that the value of a thing, person, act, idea or process, is assigned (1) within a framework of ultimate values; and (2) in a context of intersubjective communication and understanding. To illustrate this point with a concrete example, LV luxury handbags acquire their high social value within the framework of a value system which considers financial income and conspicuous consumption to be the ultimate measures of a person’s value. Individuals who share this value system and communicate about luxury handbags form a consensus about the value of brand-name handbags, nurture each others’ affective desire for luxury handbags, and orient their lives in such a way that they pursue the means to purchase and wear such handbags and other products which have high value within their ultimate value system. Others individuals, however, may operate under a different framework of ultimate values. For them, no matter how high the price tags, LV bags are worthless and have no value whatsoever. Through their conversations and interactions, they reinforce their resistance

no. 5 (August 2010).

⁴⁷ *Ibid.*

⁴⁸ Middlebrooks & Noghiu (2010): 81

⁴⁹ Baker & Smith (2010): 10

⁵⁰ Baker, Chris, and J Miles-Watson. "Exploring Secular Spiritual Capital: An Engagement in Religious and Secular Dialogue for a Common Future?". *International Journal of Public Theology* 2, no. 4 (2008): 442-64.

⁵¹ Zhuang (2007), O’Sullivan (2012). The primacy of spiritual capital turns Maslow’s pyramid of needs upside down, which is also his insight at the end of his life (See Zohar & Marshall *Want More \$\$\$?*, 2004)

to such notions of value, elaborate alternative value systems, and orient their lives in the pursuit of what matters within their own value systems.

Our field research among the selected FBOs has revealed to us that their key distinguishing feature is that they accord *infinite, intrinsic and transcendental* – i.e., *spiritual* -- value to each and every human being. They do so (1) within a conscious framework of ultimate values; and (2) they create a social space in which the intrinsic value of each human being is consciously affirmed, pursued, enacted and nurtured. This is evident in the groups we are working with, because they confer intrinsic and infinite value on persons who, according to other value systems, have little value: pregnant teenage girls from low-income families; homeless people; rebellious adolescents; released prisoners; abused low-income middle aged housewives – these are all people who have little or no social, cultural, economic or political capital. The aim of the NGOs is not to simply provide these populations with such social and material resources, nor is it simply to achieve instrumental goals as an organization. Rather, their first concern is to acknowledge and nurture the **spiritual** value of the people with whom they work, be they staff, volunteers or the populations they serve. Within the social space of mutually affirming and nurturing their spiritual value, the participants acquire a range of attitudes, dispositions and capacities. These, in turn, empower them to live and contribute to society and to build up social, cultural and economic capital. Spiritual value does not exist in a material sense; but it ultimately leads to social and material transformations. In this sense, spiritual capital can be considered to be the creation of value out of nothing – 從無到有.

Ultimate value framework: a spiritual orientation to life

Although the selected FBOs have different religious backgrounds, we can identify the following common aspects to their ultimate value framework:

1. *The source of meaning is spiritual*: Meaning, purpose and value in life does not lie in material possessions, wealth, fame, power or pleasures.
2. *Inner orientation*: Meaning, purpose and value lies in relating to our spiritual nature, however it is defined -- transcending the ego, realizing the inner beauty, goodness and nobility within us.
3. *Outer orientation*: Meaning, purpose and value lies in relating to the spiritual nature, beauty and goodness of other humans, of the universe, and of ultimate reality.

Such an orientation involves a sense of oneness between the inner and outer dimensions; a connection between self, others, the universe, and ultimate reality. This leads to a wellspring of love and compassion -- feeling pain at the pain of others, joy at the joy of others. Ultimately, it leads to the desire to act to reduce the pain of others, to increase the joy of others, and even to change the world, so that there will be less pain, and more joy -- so that suffering and oppression may end, creating a world of justice and unity.⁵²

The capacity generated: Transformative

A spiritual orientation can be deepened; the motivation and will to align one's actions to it can be strengthened. To do so requires effort to transform or transcend one's desires

⁵² See Zohar (2010), Middlebrooks & Noghiu (2010) and Baker & Skinner (2006) on spiritual capital and service

and attachments; it is a path of spiritual growth. Thus a spiritual orientation is not only an orientation but a *practice*, and because it is a practice it generates capacity.

The capacity generated is *transformative* for individuals and groups. Zohar & Marshall (2004) are explicit about this transformative quality: “spiritual capital is the capacity for transformational change. Social capital is a more static concept.”⁵³ It involves a mindset change, a reorientation in life.

The capacity generated: Individual and collective

According to our preliminary organizations in the selected FBOs, the spiritual orientation generates the following individual capacities:

- Sense of purpose and direction 目的和方向感
- Spiritual perception and judgement 靈性的洞察力和判斷能力
- Confidence 自信
- Emotional balance, peace of mind and joy 平衡的情緒，內心的平靜和愉悅
- Patience, forgiving, generosity 耐心，寬容，寬宏大量
- Desire to serve others 服務他人的願望
- Ability to sacrifice for others 為他人付出的能力
- Ability to cooperate with others 與他人合作的能力

At the organizational level, we have observed the following capacities associated with the spiritual orientation of the group:

Unity of vision, purpose and core values
一致的遠景，目標和核心價值
Interpersonal trust, harmony, conflict management
互相信任，和諧，衝突處理
Intrinsic motivation and mobilizational capacity
內在動機和可調動的能力

Nurturing spiritual value

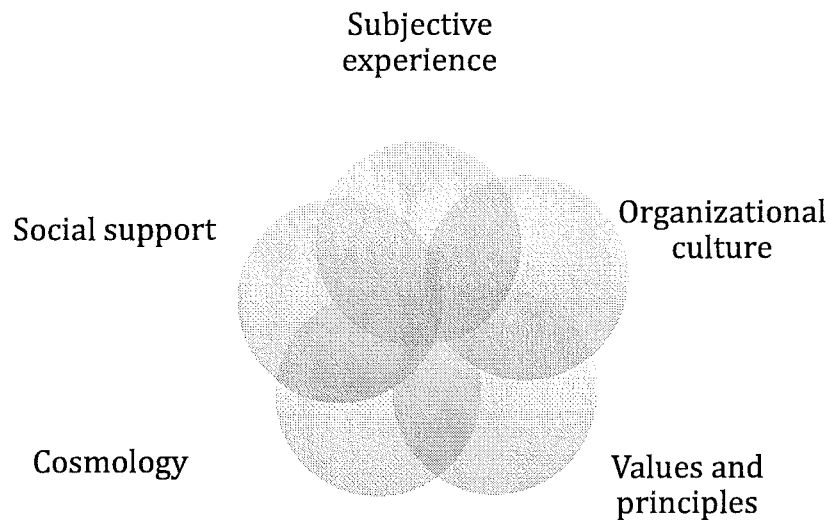
The selected FBOs, sometimes consciously and sometimes unconsciously, put into place a space for the nurturing of spiritual value and a path of spiritual growth. In terms of a path of growth, the following three stages can be identified:

1. Confirming the spiritual value of each individual. The first step, which is in itself immensely empowering, is the attitude, expressed in deeds, of treating each individual as imbued with infinite value – not as an object of pity, nor as a means to some other instrumental goal. This mere act, creates the intersubjective space in which spiritual value is generated.
2. Providing a *path of growth* for the expression of each person’s spiritual value. Having affirmed their value, the group provides each person with a space and opportunity to express and develop her value and capacities.
3. Finally, the group offers each individual a *path of service* through which the

⁵³ Zohar & Marshall. “Want More \$\$\$?” (2004)

participant can empower others. By confirming and nurturing the spiritual value of others, the participant creates and reinforces the intersubjective space for generating spiritual value, continuing and expanding the cycle in an organic process.

In terms of the social space for nurturing spiritual value, we have identified the following overlapping dimensions in the selected NGOs:



We have noted the following practices conducive to creating the nurturing social space: placing an intrinsic value on each individual (whether worker, volunteer or person being served) rather than as an instrument for other goals; training in spiritual concepts and wisdom; applying spiritual practices (meditation, prayer); modeling through inspirational stories and examples; instilling an ethic of service which downplays hierarchies; empowering the weak; creating a conducive physical and social environment; maintaining critical distance toward instrumental professional and managerial approaches.

Building spiritual capital: Spiritual capital is self-generating

The etymology of “capital” has roots in trade and ownership of heads of cattle, an ancient way of measuring wealth. The notion of wealth and capital is thus related to raising a herd of animals, the more cattle, the more wealth. This type of wealth grows and self-multiplies. In order for it to grow, the herd needs to be fed, nurtured, and protected. This requires labour and material expense – in other words, a *sacrifice*, and the outcome is not immediate. From this, we can see that “capital” is a form of wealth that is generated through some form of labour or effort and can be invested to accumulate even more of it. Spiritual capital can grow and increase. Those who have tasted of it want more. It inspires and attracts others. The positive effects of acts of service and generosity encourage both the giver and the recipient. Even challenges, suffering and

failure in carrying out acts of service and generosity, are seen as beneficial tests on the spiritual path. The act of service *itself* generates more spiritual capital, not only through the *positive* effects and feedback from the acts of service, but even through *challenges and failures*, when they are understood as tests on the spiritual path. Thus, someone weak in spiritual capital may become discouraged, burned out and cynical, while someone with spiritual capital will seek spiritual lessons or significance from the setbacks, and may even become further motivated.

Conversion of capital: Spiritual Capital has intrinsic value

Capital can be *converted* into *other forms*. In sociological theory, social, cultural, symbolic and economic capital can be converted into each other, although there may be certain logics or limitations to such conversions. Spiritual capital also generates social and economic capital. However, it *transforms* them as well.⁵⁴ Thus, while social capital is usually understood as social networks which can be used instrumentally, spiritual capital *changes* or *enriches* the quality of social relationships away from purely instrumental purposes and toward a affirming the intrinsic value of each person – this effect, in turn, generating even more spiritual capital. The transformational, self-generating and intrinsic qualities of spiritual capital are what make it unique as a form of “capital”.

Intrinsic vs. Instrumental Value: Creative Tension

As discussed earlier, inherent to the concept of spiritual capital is a tension between intrinsic and instrumental value. Spiritual capital is generated within a spiritual framework of ultimate values: one in which instrumental goals are secondary to spiritual purpose. Therefore, to convert spiritual capital for instrumental purposes may invert the order of priorities which is at the root of spiritual capital, and would lead to the ultimate depletion of spiritual capital.

How is the tension to be resolved? The selected FBOs do seek to realize intrinsic values in social and material life. They do seek beneficial *outcomes*, so long as they are for *intrinsic* reasons. The instrumental value of spiritual capital is a *side effect*, produced by the pursuit of *intrinsic* spiritual values. And it must be employed for the purpose of realizing the intrinsic values.

Concluding remarks

In this paper, we have built on the current literature on spiritual capital as well as our research with members of faith-based NGOs, to derive a sharper conceptual framework which seeks to identify the unique quality of spiritual capital and operationalize it with a view to future research, education and practice. In contrast to some other definitions and theorizations of spiritual capital, this conceptual framework stresses (1) that spiritual capital is an autonomous form of value which is not merely a subset of social, cultural or religious capital; (2) that spiritual capital is based on the affirmation of intrinsic value and, as such, offers a critical perspective on instrumental concepts of capital and its conversion; (3) that spiritual capital generates and transforms social and material relations. Spiritual capital is generated through the affirmation and nurturing of the intrinsic, infinite spiritual value of each human being. When this affirmation and nurturing are

⁵⁴ Rima (2012).

built into the organizational culture of a third sector organization, it enhances individual and group capacity to pursue intrinsic goals and serve the common good.

This paper represents a preliminary synthesis of what we have learned in the first year of this project. We hope to further refine and improve it as our research progresses. Please feel free to share your reactions or suggestions to us.

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