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Jason García Portilla

# “Ye Shall Know Them by Their Fruits”

A Mixed Methods Study on Corruption,  
Competitiveness, and Christianity in Europe  
and the Americas



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*Beware of false prophets, which come to you in sheep's clothing, but inwardly they are ravening wolves.*

***Ye shall know them by their fruits.***

*Do men gather grapes of thorns, or figs of thistles? Even so every good tree bringeth forth good fruit; but a corrupt tree bringeth forth evil fruit. A good tree cannot bring forth evil fruit, neither can a corrupt tree bring forth good fruit. Every tree that bringeth not forth good fruit is hewn down and cast into the fire.*

***Wherefore by their fruits ye shall know them.***

*Not every one that saith unto me, Lord, Lord, shall enter into the kingdom of heaven; but he that doeth the will of my Father which is in heaven. Many will say to me in that day, Lord, Lord, have we not prophesied in thy name? and in thy name have cast out devils? and in thy name done many wonderful works? And then will I profess unto them, I never knew you: depart from me, ye that work iniquity.*

*(Matthew 7:15–23, King James Version)*

# Foreword

In 1905, Max Weber asked the provocative question, “why do Protestant lands seem to be more prosperous?” He was not wrong. Since the spread of the Reformation in the sixteenth century, the world’s leading economy has been predominantly Protestant: first, the Dutch Republic after it won independence from Spain, then Britain took the lead in the eighteenth century, and the USA took its place in the twentieth century. Protestant success has also been apparent at the local level. In Weber’s Prussia, where he gained the inspiration for his famous thesis, Protestant areas seemed to well out-pace Catholic ones. Is this just a coincidence? Or is there something about Protestantism that has enabled economic success? A century’s worth of work following in the footsteps of Weber has attempted to answer this question. Jason García Portilla’s *“Ye shall know them by their fruits”*: *Corruption, Competitiveness, and Christianity in Europe and the Americas* is a worthy addition to this literature.

The question is not so much about the correlation Weber pointed to. There was a clear correlation in Weber’s time, which still exists today (although it is much weaker) that places with more Protestants tend to be better off economically. The question is whether Weber had the right *causal* story. Weber claimed there was a certain “Protestant Ethic”, stemming in part from the Calvinist doctrine of predestination, that encouraged Protestants to work harder, save more, and be thriftier. These are all characteristics that should lead to economic success if widely shared among a population. Recent research contests Weber’s argument, however. García Portilla’s book fits nicely with this research. He notes, correctly, that at best Weber’s “Protestant Ethic” is one of many pathways connecting Protestantism to economic success. I think that is probably too generous to Weber!

For my money, the two most convincing mediating causes connecting Protestantism and economic outcomes are literacy and political economy. Recent work, especially that of economists Sascha Becker and Ludger Woessmann, has combined impressive data analysis with historical anecdote to understand the “Protestant edge” in literacy. The reason for this edge likely dates to Luther himself. Luther was adamant that his followers learn to read—although the main reason he desired this

was so that they could read the bible. Luther practised what he (literally) preached. He wrote in German, which was nearly unheard of for a man of the church at the time. He translated the bible into the vernacular. From a very early period, Protestants set up schools for both boys and girls. In one study, Becker and Woessmann find that the *entire* Protestant economic edge in late-nineteenth century Prussia (home to Weber!) can be explained by literacy differences. Once these are accounted for, there is no “Protestant edge”. This telling leaves little room for the Protestant ethic.

Another factor contributing to the Protestant edge is political economy. Specifically, where the Reformation spread in the sixteenth century, the Catholic Church was removed from power. The ramifications of this went well beyond the religious sphere. In the political sphere, the medieval church was a major player. Not only was it the largest landowner in Europe (by a large margin) but it also played a key role in legitimating political rule. In return, the Church tended to receive favourable policies, tax exemption, and help suppressing “heresies”. This political economy “equilibrium” was undermined by the Reformation. The question is—and it is one I have spent much of my career trying to answer—where did Protestant European rulers turn when they could no longer count on the Church for legitimation? Of course, they still desired to stay in power. The Reformation undercut one of the sources of their power by removing the Church as an agent of legitimacy.

To whom did they turn? I have argued in many places (including my book *Rulers, Religion, and Riches: How the West Got Rich and the Middle East Did Not*) that parliaments were the natural group for rulers to turn to supplement their legitimacy. Parliaments already existed throughout Europe, bringing together landed elites, urban elites, and churchmen together in a forum in which they could bargain with the crown. They were the obvious group for power-starved rulers to turn. This ended up being a key turning point in European economic history. Those places that adopted the Reformation—especially England and the Dutch Republic—saw an immense rise in the power of their parliaments over the subsequent centuries. The economic elites in these parliaments were certainly self-interested. However, their self-interest tended to align with the types of things that portend broader economic success: property rights, investment in infrastructure, protection for shipping, and the like. Policies along these lines were key for the economic rise of these states. Protestants ended up getting these types of policies first. Other parts of Europe, and the rest of the world, would have to wait.

There are many other reasons that Protestantism has been associated with economic prosperity in the past. García Portilla nicely describes many of these in this book. Protestant missionaries were likely responsible for mitigating some of the worst aspects of colonialism. Legal systems associated with Protestant states have been shown to be more conducive to economic growth. Religious competition among various Protestant sects was a likely cause of lower corruption. And the list goes on. If anything, the Protestant economic advantage is now over-explained!

If the Protestant edge is indeed over-explained, this is simply a reflection of how important the broader question is. The modern economy emerged in a Protestant

state (Great Britain). The greatest twentieth-century economic and military power (USA) was predominantly Protestant. The research on this issue is convincing that this was not simply a coincidence. Economists, sociologists, and political scientists have spent hundreds of thousands of pages trying to understand why this happened. They have used a multitude of methods, focused on various parts of the world, and have dug deep into history to help us better understand the role that religion can play in economic growth (and stagnation). Jason García Portilla has followed very nicely in this tradition. By bringing together multiple methods to shine light on one of the “big questions” in the social sciences, García Portilla brings new insight to a much-studied question. Here is hoping this is the beginning of much more to come from him.

Chapman University, Orange, CA, USA

Jared Rubin



# Preface

Why are historical Catholic countries and regions generally more corrupt and less competitive than historical Protestant territories? How has the institutionalisation of religion influenced the prosperity of countries in Europe and the Americas?

*“Ye shall know them by their fruits”* addresses these critical questions by elucidating the hegemonic and emancipatory religious factors leading to these dissimilarities between countries. The book features up-to-date mixed methods interdisciplinary research contributing to existing studies in the sociology of religion field by demonstrating the effect of the mutually reinforcing configuration of multiple prosperity triggers (religion, politics, and environment) for the first time. It demonstrates the differences in the institutionalisation of Roman Catholicism and Protestantism by applying quantitative and qualitative methods and by performing a Qualitative Comparative Analysis (QCA) in 65 countries. This monograph provides a comprehensive survey and empirical research of different theories of development, focusing on the influence of religion.

High corruption and low competitiveness are common denominators in countries with pervasive Roman Catholic traditions. In contrast, historically Protestant countries, both in the Americas and in Europe, tend to have higher levels of transparency, education, social progress, and competitiveness. According to the Gospel of Matthew, Jesus Christ declared that *“Ye shall know them by their fruits”*. He was referring to the true and false prophets who would come on his behalf. This parable inspires this book, which examines the relationship between religious systems (“prophets”) and social prosperity (“fruits”). Its main question is: *How does Protestantism influence competitiveness and transparency compared to Roman Catholicism in Europe and the Americas?*

In this book, a comprehensive methodological framework has been developed, consisting of different epistemological approaches (mixed methods). The correlational (quantitative) part established the interrelations between the investigated

variables (i.e., corruption, competitiveness, environment, and institutional religion), while QCA further inferred causal relations for 65 countries in Europe and the Americas. The qualitative part used critical discourse analysis (CDA) to examine four case studies (Switzerland, Uruguay, Cuba, and Colombia).

Combining the following three main factors accounted for uneven socio-economic and institutional performance in Europe and the Americas: (1) *Religion*: (1.1) Historical Protestantism and its positive influence on law, institutions, and language (highest performance); (1.2) anti-clericalism (medium-high performance); (1.3) Roman Catholicism or Orthodoxy (medium-low performance); (1.4) Syncretism (low performance). (2) *Political non-religious influences*: (2.1) Communism (low performance). (3) *Geography and environment*, which modulate overall performance.

This book contributes to existing research in the sociology of religion and development studies fields by demonstrating the effect of the mutually reinforcing configuration of multiple prosperity triggers (religion–political–environment). Historical Protestantism largely influenced prosperity by promoting education, by secularising institutions, and by stabilising democracy. Protestantism has also proven highly influential in the successive historical law revolutions that gradually mitigated the power of pervasive feudal institutions and of papalist medieval canon law. In contrast, traditionally Roman Catholic countries have generally upheld a medieval model of extractivist institutions until anti-clerical (non-communist) movements were able to weaken this influence in some countries.

Reinach, Switzerland  
March 2021

Jason García Portilla

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Given the transdisciplinary (mixed method) approach of this study, I have benefitted from numerous friends and scholars from different disciplines, who have generously contributed to its successful completion. Experts from various fields have been instrumental to crystallising my initial ideas and to improving earlier drafts and versions. I am profoundly indebted and grateful to all of them. The names of those individuals who have graciously helped me with different parts of this study are mentioned in the following pages.

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The most important acknowledgement and dedication are reserved for he who inspired both this book and the following wisdom:

And ye shall know the truth, and the truth shall make you free  
(John 8:32, King James Version).<sup>1</sup>

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<sup>1</sup> *The Holy Bible, King James Version*. Cambridge Edition: 1769. Scripture quotations from The Authorized (King James) Version. Rights in the Authorized Version in the United Kingdom are vested in the Crown. Reproduced by permission of the Crown's patentee, Cambridge University Press.

This study would not have been possible without the commitment and support of numerous individuals at different stages. The following list, although not exhaustive, mentions various direct contributors. I am most grateful to all of them. The last 7 years have indeed been the best in my life, not least for making a long-awaited dream come true.

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# About This Book

This book is divided into seven main parts, which are subdivided into 25 chapters:

## **Part I: Introductory Considerations and Research Setting**

Part I introduces this book and is organised into two chapters. The introduction (Chap. 1) sets the historical context and describes this book's outcome, contributions, and limitations. Chapter 2 presents the research setting, including the research aims, research question and hypotheses, and the research model. The research model synthesises understanding and serves as a rationale for the entire book. The model exhibits the main exogenous theoretical determinants of corruption and prosperity, which are tested empirically. The following chapters (Chap. 3–12) develop the research model. Therefore, when numbers or capital letters appear *in italics* between parentheses in headings and subheadings, please refer to the research model components and relations (Fig. 2.1).

## **Part II: Conceptual Framework**

Part II details the *outcome* and *conditions* of the research model (transparency/prosperity) in three chapters. Chapter 3 (the *outcome*) defines corruption and competitiveness from different perspectives, including moral and theological ones. Transparency and prosperity are linked as part of the same outcome, prosperity equals competitiveness, and competitiveness includes transparency.

Chapter 4 briefly surveys prosperity and transparency in Europe and the Americas and shows, roughly, that historically Protestant countries perform higher than Roman Catholic ones. Chapter 5 (*conditions*) touches on some influential theories that have sought to explain prosperity differences between countries from diverse disciplinary perspectives.

## **Part III: Theoretical Foundations (Amplifying the Conditions of the Research Model)**

Part III explains and interconnects the relevant factors (or variables and conditions) used to determine corruption and prosperity in the research model. It consists of six chapters: Chapter 6 explores relevant empirical studies and provides possible explanations for the robust associations between corruption and religion. Chapter 7 discusses the prosperity–religion link and reviews some prominent empirical studies

refuting and confirming Weber's thesis and balancing the evidence gathered. It also emphasises the importance of seriously considering the institutional (and hegemonic) influence of religion in addition to the cultural influence (of religious adherents). Chapter 8, the most comprehensive in Part III, characterises the relations between religion, institutions, and the transparency–prosperity nexus. It explains how economic prosperity, democracy, and transparency are part of a feedback loop that constitutes a single phenomenon. More importantly, this chapter deepens the institutional analysis by concentrating on the particular historical influence of religion on the different legal traditions in Europe and the Americas. It is the cornerstone of Part III and, as such, of the entire study.

Chapter 9 demonstrates the influential association of Protestantism and prosperity by explaining its historical focus on education and human capital building. On this basis, Chap. 10 characterises the relations between culture, religion, and corruption/prosperity. It advances the explanations of the prosperity–religion nexus from the perspective of cultural attributes (e.g., trust, individualism, and *familialism*) by comparing Roman Catholic and Protestant theologies. Chapter 11 briefly explores the influence of religion and hegemony on language by concentrating on English, German, and the Romance languages widely spoken in Europe and the Americas. Chapter 12 discusses the influence of the environment and geography on prosperity and corruption and reviews some leading empirical works.

#### **Part IV: Research Paradigms, Methodology, and Research Design**

Part IV has two chapters. The first (Chap. 13) discusses the research paradigms underpinning this study. Chapter 14 introduces the methodology and research design. It explains the mixed method approach of this study (quantitative, qualitative, and QCA). Each of the chapters in Part V (empirical results) includes methodological protocols.

#### **Part V: Empirical Results (Macro and Meso Components)**

This part is divided into two components: macro and meso. Chapter 15 corresponds to the macro-quantitative component. It discusses how competitiveness and corruption were modelled, how the methods were applied in the correlation analysis and which empirical results were achieved. Chapter 16 contains the meso component (Qualitative Comparative Analysis, QCA). It discusses the QCA research model, the QCA methodology, and the analysis of the QCA results.

#### **Part VI: Component 3 (Micro): Case Studies**

This part is organised into six chapters. Chapter 17 examines the criteria for selecting the cases analysed in this study. It explains the application of critical discourse analysis (CDA) as its principal empirical method. It discusses CDA methods and data treatment as well as the empirical analysis of CDA results. Finally, it compares and summarises the case selection criteria.

Chapters 18, 19, 20, and 21 offer in-depth discussions of the case studies (Switzerland, Uruguay, Cuba, and Colombia). Switzerland provides more information than the other cases: It is an extremely positive case in the world and the only European country discussed here. Chapter 22 presents a comparative overview of the four case studies (Switzerland, Uruguay, Cuba, and Colombia).

**Part VII: Discussion and Conclusions**

Part VII has three chapters. Chapter 23 presents general conclusions based on integrating the theory and the results obtained from all methods. It also offers seven specific conclusions for each of the prosperity determinants considered. Chapter 24 examines further considerations derived from the research, while Chap. 25 provides some brief concluding remarks.

**Empirical Expectations**

*Some sections along the document contain empirical expectations since they correspond to variables or conditions tested in the study. Further, sections treating Latin America appear throughout the study. Historically, this region has been an outlier in the Christian world (Europe and the Americas), with high corruption and low prosperity levels. It provides rich material for analysis and hence three of the four case studies deal explicitly with Latin America. Generally, each chapter starts with a brief outline or a short introduction. The various sections further structure the corresponding main chapters and parts.*



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## About the Author

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# List of Abbreviations

CDA	Critical discourse analysis
CPI	Corruption Perception Index
DP	Dialectical pluralism
ECLAC	Economic Commission for Latin America and the Caribbean
EPI	Environment Performance Index
GCI	Global Competitiveness Index
GDP	Gross domestic product
GLOBE	Global Leadership and Organizational Behaviour Effectiveness Research Programme
GT	Grounded theory
MM	Mixed methods
NT	New Testament
OT	Old Testament
PDI	Power Distance Index
PG	Prosperity Gospel
PRI	Proportional reduction in inconsistency
QCA	Qualitative Comparative Analysis
SPI	Social Progress Index
TI	Transparency International
UK	United Kingdom
USA	United States of America
VIF	Variance inflation factor

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