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**A Theory of Deep Democracy and Economic Justice  
in the Age of Postmodernism**

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**A Theory of Deep Democracy and Economic Justice in the Age  
of  
Postmodernism**

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remaining errors are my own.**

## Abstract

The main purpose of this paper is to offer a somewhat novel theory of deep democracy and economic justice. Part of the novelty consists in considering radical uncertainty and indeterminacy under postmodern conditions. I claim that even under such conditions a plausible theory of deep democracy and economic justice can make sense.

The theory of deep democracy presented here makes a distinction between formal aspects of democracy and the deeper structural aspects. In order for democracy to be deep, democratic practices have to become institutionalized in such a way that they become part of normal life in a democratic society. In this sense, ontologically, deep democracy overlaps with Barber's (1984) idea of "strong" democracy. There are, however, epistemological differences as well as differences of emphasis, particularly in the economic sphere.

I have tried to consider the postmodernist position with regards to democracy and economic justice by paying careful attention to the arguments of leading postmodernists. Barring a nihilism that rules out arguments entirely, such a procedure seems reasonable.

Following this procedure, Lyotard's characterization of the discourse on morality and justice as phrase-regimes has been shown to lead to an ethical impasse. His appeal to the Kantian sublime, in this context, would seem to be a category mistake. The aesthetic category of sublime does not fit the requirements of moral judgments even in Kantian terms.

Epistemologically, the postmodern dilemma arises from a correct critique of metaphysics and transcendentalism. However, the critique is partial and negative. It is partial in the sense that it does not take the challenge of Kant to develop normativity seriously enough to explore alternatives as Hegel did. It, therefore, pursues entirely the negative critical path leading to thoroughgoing skepticism and nihilism.

Derrida's belated attempts to rescue philosophy from a linguistic nihilism may succeed. But it still falls far short of offering a positive account of normativity. A critical overcoming of modernism simply cannot be found in the postmodern turn.

I have offered as an alternative to natural law and transcendental norms an account of Hegel's explorations. As Winfield and others have pointed out, this approach is also anti-foundational. However, by following the rational demands of self-determination, it is possible to break out of the vicious circle of skepticism. Instead a progressive

structure starting with the minimum structure of freedom as self-determination can be built up.

Following this alternative offers a way of exploring deep democracy and economic justice. A concrete set of institutions consistent with the development of self-determination can be seen as necessary for the idea of economic justice to have meaning. In the spheres of production, distribution, exchange, law and contracts among others, the development of appropriate economic institutions allowing this inter-subjective idea of freedom to unfold becomes the thematic development of economic justice.

An important problem in this context is the coherence of the concept of the moral subject. By carefully considering poststructuralist psychoanalytical theory of Lacan and others a dynamically oriented approach to the question of the subject becomes possible. Pre-Freudian thinkers such as Hegel or Marx did not see the formation of the individual in all its deeply problematic aspects. However, the "speaking subject," though not innocent (as Hélène Cixous wittily put it), is nevertheless capable of agency under specific social and economic conditions. A continuum of subjectivity ending with the fully liberated individual offers various possible levels of moral agency. In an economically and socially unjust setting radical analytic and social interventions will be necessary for these possibilities to materialize.

Deep Democracy and economic justice, therefore, can be presented as a coherent set of positive requirements. It is part and parcel of the need for rational autonomy in our world. Reasonably enough, even if we choose to call such a world postmodern, a discourse on deep democracy and economic justice is both necessary and possible. It is encouraging to think that such discourses are not just phrase-regimes.

## **Introduction**

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The theory of deep democracy presented here makes a distinction between formal aspects of democracy and the deeper structural aspects. In order for democracy to be deep, democratic practices have to become institutionalized in such a way that they become part of normal life in a democratic society. In this sense, ontologically, deep democracy overlaps with Barber's (1984) idea of "strong" democracy. There are, however, epistemological differences as well as differences of emphasis, particularly in the economic sphere.

Ever since our cultural discourse moved into the "postmodern condition" questions regarding truth and justice have generated suspicion. We seem to be shy even of raising the questions. Unlike Pontius Pilate, who reportedly raised the question but would not wait for an answer, the postmodern gesture is to point at the futility of the question itself. If there is no point in truth, then the truth in the context of elusive concepts such as justice in general, or economic justice in particular, would seem to be beside the point.

Modern economists have also progressively abandoned the territory they call normative economics. Even within the utilitarian tradition the move from cardinal to ordinal utility meant giving up any kind of interpersonal comparisons. Lately, the move to identify economic discourse as simply rhetorical has generated both tolerance of and skepticism about normative issues. This is an important paradox that needs to be addressed.

The value of looking at the rhetorical aspects of economics is undeniable. Skepticism, at least, as an initial methodological gesture in the Cartesian sense is also valuable. However, much of value is also at stake here. If rhetoric and skepticism are also the endpoint of the inquiry then we are left at best with a Humean empiricist way of looking at the world. Justice, in particular economic justice, can then be nothing more than a prudent convention simply because we are not better, nobler beings than we appear to be.

Is there any way then to come to terms with postmodern skepticism of economic justice? It is not an easy task once the fundamental premises of modernism are interrogated.

An initial gesture of doubting is made necessary simply because of the foundational approach of modern economic theory. One might look for ways to deconstruct such writing as there is on economic justice by way of supplement, trace and difference in a Derridean fashion. Such textual analysis can expose the play of metonymy and metaphor in supposedly rigorous uncontroversial neoclassical writing. However, I will take a related but different path here. I will interrogate some of the foundational premises of modernism in order to construct an alternative, non-foundational approach to economic justice. Leaving epistemological and ontological assumptions of modernism behind - one might think - would lead us to a terrain more amenable to the discussion of normative issues of justice. However, here we will come up against some further problems raised by postmodernism. Put succinctly the problem is as follows: is it possible to give up all the modernist assumptions and end up with anything but nihilism? This way of putting the question carries some force. Indeed there are many postmodernists who accept nihilism as the logical (?) outcome of their positions. If true, then a discourse on economic justice (or any other kind of justice) is simply a logocentric exercise. Perhaps justice also needs to be deconstructed, even destroyed (*destruktion* in Heidegger's language). However, following a modal logic consistent with the movement away from the modernist binary logic one can actually deny that a denial of some of modernist assumptions will inevitably lead to nihilism with respect to normative issues such as justice. The same modal logic allows one to also hold without holding onto transcendental versions of modernism that a deconstruction of economic justice is only a necessary preamble to an equally necessary constructive discourse on justice. Thus the aim of this paper is to rescue economic justice from floundering by overcoming the conscious or unconscious epistemological commitments of both modernism and postmodernism. In order to fix ideas and put the positions developed later in perspective I begin with a brief discussion of modernism and postmodernism in general. I then look at some of the claims advanced by postmodernists such as Foucault, Braudrillard, Rorty and Lyotard about normativity in general under postmodernism.<sup>1</sup>

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<sup>1</sup>I have not here distinguished between postmodernism and poststructuralism. Instead of an exegesis of schools of thought I am interested in specific premises, arguments and conclusions of particular thinkers. Postmodernism serves as a broad enough umbrella to include many such thinkers. As I discuss in the next section, in this sense, postmodernism can be contrasted usefully with modernism. The proof of the intellectual pudding, however, is in the structure of specific arguments and not in how the

The problems for a discourse on economic justice if such claims can be accepted can be recognized quite easily after this exercise. I then discuss the undiscussable, namely economic justice without its modern neoclassical assumptions. In the process of doing so I necessarily take a critical view of some of the positions articulated by the postmodernists mentioned before. However, this does not lead, I believe, back to the camp of conventional modernism. In fact without being a camp follower I am able to travel some distance with Derrida, Deleuze and Guattari and even Nietzsche.<sup>2</sup> However, the conclusion is that justice, in particular economic justice, is too important an issue to leave to only French, German and American philosophers (living and dead). Economists need to create a conversation among themselves in this arena. One long dead German philosopher, Hegel, can surprisingly be brought to life in this context. I show how a particular reading of Hegel can help in the positive discussion of rights, freedom and justice without foundations in the penultimate section of this paper.

### I. Modernism and Postmodernism

One could of course speak of both modernism and postmodernism in the plural. Exegetically minded scholars are particularly keen on doing so. However, my purpose is not to "interpret" or "reinterpret" this or that modern or postmodern thinker, but to unearth the common epistemological, ontological, moral (or amoral!) and aesthetic ground shared by them.

Ihab Hassan writes in a section of the conclusion of *The Postmodern Turn: Essays in Postmodern Theory and Culture*, "that the post modern debate drifted from America to Europe." In his *The Dismemberment of Orpheus* Hasan had already asked, "when did the Modern period end?" and had gone onto identify the turning point as early as the 1920s in literature. He asks the reader to contrast Edmund Wilson's *Axel's Castle: A Study in the Imaginative Literature* with his own collection. The former carried a discussion of symbolism, Yeats, Valery, Elliot, Proust, Joyce and Stein. Hasan's own text weaves its way through pataphysics, surrealism, Kafka, existentialism, literature,

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arguments are labeled. However, I do emphasize the commonality among the individual thinkers whenever it exists.

<sup>2</sup> The careful reader will notice that I do not directly use the most obvious gambit offered by postmodernists, namely its self-referential inconsistency. Most philosophically unsophisticated versions of postmodernism in fact are self-refuting since they cannot assert the truth of their own positions while denying truth of *any* kind. However, I read Derrida, Deleuze and Guattari and that old 'maestro of suspicion', to use Ricoeur's phrase, Nietzsche as not simple relativists, but rather as radical critics of reason. Thus in Deleuze and Guattari, and in Derrida among the contemporaries there are arguments that rationally constrain reason without falling into self-contradiction. My purpose here is to put this chastened reason to work in a direction that turns away from both dogmatism and skepticism.

Genet and Beckett. Hasan thinks Stein contributed to both but the crucial text is *Finnegan's Wake*. Therefore, he asks, "If we can arbitrarily state literary modernism includes certain works between Jarry's *Ubu Roi* (1896) and Joyce's *Finnegan's Wake* (1931) where will we arbitrarily say that Postmodernism begins?" Aware of the irony of the origins of the postmodern turn he ends by declaring, "In any case Postmodernism includes works by writers as different as Barth, Arthème, Eckers, Encke, Lanchef, Orges, Recht, Urroughs, Utir. Query: But is not *Ubu Roi* itself as Postmodern as it is Modern?" Despite this problem of demarcation Hasan's series of dichotomies may nevertheless be a set of useful contrasts.

#### Ihab Hasan's Dichotomies

Modernism	Postmodernism
Romanticism/Symbolism	Pataphysics/Dadaism
Form (conjunctive, closed)	Antiform (disjunctive, open)
Purpose	Play
Design	Chance
Hierarchy	Anarchy
Mastery/Logos	Exhaustion/Silence
Art Object/Finished Work	Process/ Performance/Happening
Distance	Participation
Creation/Totalization	Decreation/Deconstruction
Synthesis	Antithesis
Presence	Absence
Centering	Dispersal
Genre/Boundary	Text/Intertext
Paradigm	Syntagm
Hypotaxis	Parataxis
Metaphor	Metonymy
Selection	Combination
Root/Depth	Rhizome/Surface
Interpretation/Reading	Against Interpretation/Misreading
Signified	Signifier
<i>Lisible</i> (Readerly)	<i>Scriptible</i> (Writerly)
Narrative	Antinarrative
God the Father	The Holy Ghost



Symptom	Desire
Genital/Phallic	Polymorphous/Androgynous
Paranoia	Schizophrenia
Origin/Cause	Difference - Differance/Trace
Metaphysics	Irony
Determinacy	Indeterminacy
Transcendence	Immanence

As the astute reader will notice in the history of literature at least many of the postmodern traits are shared by many modernist works themselves. In his 1980 essay Hasan also presented "Five Paratactical Propositions about the Culture of Postmodernism":

1. Postmodernism depends on the violent transhumanization of the earth, wherein terror and totalitarianism, fractions and whole, poverty and power summon each other. The end may be cataclysm and/or the beginning of genuine planetization, a new era for the One and the Many ...
2. Postmodernism derives from the technological extension of consciousness, a kind of twentieth century gnosis ... The result is a paradoxical view of consciousness as information and history as happening.
3. Postmodernism, at the same time, reveals itself in the dispersal of the human—that is, of language—in the immanence of discourse and mind ...
4. Postmodernism, as a mode of literary change, could be distinguished from the older avant-gardes (Cubism, Futurism, Dadaism, Surrealism, etc.) as well as from modernism. Neither Olympian and detached like the latter nor Bohemian and fractious like the former, postmodernism suggests a different kind of accommodation between art and society ...
5. Postmodernism veers toward open, playful, optative, disjunctive, displaced, or indeterminate forms, a discourse of fragments, an ideology of fracture, a will to unmaking, an invocation of silences—veers toward all these and yet implies their very opposites, their antithetical realities. It is as if *Waiting for Godot* found an echo, if not an answer, in *Superman*.

Leaving aside the genre-specific question of Dadaism, earlier included in cataloguing of postmodern traits and now seemingly excluded, one might wish to probe further about the condition for cataclysm or alternatively, genuine planetization mentioned in the first proposition. Likewise, the tantalizing suggested "different kind of accommodation between art and society" needs a kind of elaboration that is never

offered. The fifth proposition offers some help in characterizing postmodern forms. We will see later that Derrida's characterizations of structure, sign and play take us to some of these conclusions through a more rigorous poststructuralist route.

Jean François Lyotard in his *The Postmodern Condition* (1979) claims that the term postmodern "designates the state of our culture following the transformations which, since the end of the nineteenth century have altered the game rules for science, literature and the arts." The more frequently used, or at least the more popular among the American academics is his characterization of the postmodern as "incredulity toward metanarratives."

Lyotard tries to be quite explicit about the modern/postmodern distinction. Thus he wants to use the term modern to "designate any science that legitimates itself with reference to a metadiscourse ... making an explicit appeal to some grand narrative, such as the dialectics of Spirit, the hermeneutics of meaning, the emancipation of the rational or working subject, or the creation of wealth."

Although he is critical of both Hegel and Marx (and other "totalizing" philosophers), Lyotard's further analysis of scientific knowledge as a form of discourse in bourgeois society is influenced by Marx's theory of the circuit of capital. Lyotard makes a distinction between "payment knowledge" and "investment knowledge" and focuses on their circulation:

It is not hard to visualize learning circulating along the same lines as money, instead of for its "educational" value or political ... importance; the pertinent distinction would no longer be between knowledge and ignorance, but rather, as is the case with money, between "payment knowledge" and "investment knowledge."

*(The Postmodern Condition, p. 6)*

Characterizing eclecticism as "the degree zero of contemporary culture, Lyotard (1979, p. 76) goes on to locate its basis in the power of capital:

When power is that of capital and not that of party, the "transavantgardist" or "postmodern" (in Jencks's sense) solution proves to be better adapted than the antimodern solution. Eclecticism is the degree zero of contemporary general culture: one listens to reggae, watches a Western, eats McDonald's food for lunch and local cuisine for dinner, wears Paris perfume in Tokyo and "retro" clothes in Hong Kong; knowledge is a matter for TV games. It is easy to find a public for

eclectic works. By becoming kitsch, art panders to the confusion which reigns in the "tastes" of the patrons. Artists, gallery owners, critics and public wallow together in the "anything goes", and the epoch is one of slackening. But this realism of the "anything goes" is in fact that of money; in the absence of aesthetic criteria, it remains possible and useful to assess the value of works of art according to the profits they yield. Such realism accommodates all tendencies, just as capital accommodates all "needs", providing that the tendencies and needs have purchasing power. As for taste, there is no need to be delicate when one speculates or entertains oneself.

Lyotard seemingly gives up on the moral (hence questions of justice/injustice) in favor of the aesthetic and a state of mind like the Kantian *sublime*. In his later writings something like a fourth critique of Kant is attempted to salvage something from the ruins of epistemological and moral nihilism via the sublime and a mode of moral sensibility.<sup>3</sup> In the next section I question this move and present as an alternative a nonfoundational discourse on economic justice that does not require assumptions of an absolutely integrated subject, complete determinacy and universality. Readers of the postmodern literature are already familiar with the writings of Foucault, Lacan, Derrida and others on these. So without further reviewing what these others have said and the already large (and largely unilluminating derivative literature), I will proceed to examine the serious problems for a discourse on economic justice that an acceptance of the postmodern turn poses.

## II. Postmodernism, Deep Democracy and Justice: Some Problems

In at least one influential self-presentation of the postmodern condition, cynicism would appear to emerge as the ground bass against which other baroque virtuosités are displayed. Lyotard (1988) seems to provide an explanation, even a justification for this state of affairs:

The "philosophies of history" that inspired the nineteenth and twentieth centuries claim to assure passages over the abyss of heterogeneity or the event. The names which are those of "our history" oppose counterexamples to their claim.— Everything real is rational, everything rational is real: "Auschwitz" refutes speculative doctrine. This crime at least, which is real, is not rational.— Everything proletarian is communist, everything communist is proletarian:

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<sup>3</sup>Thus under the subsection "Pretext" in *The Differend*, Lyotard refers to Kant's "historical-political texts" (the "fourth Critique") (p. xiii).

"Berlin 1953, Budapest 1956, Czechoslovakia 1968, Poland 1980" (I could mention others) refute the doctrine of historical materialism: the workers rose up against the Party.—Everything democratic is by and for the people, and vice versa: "May 1968" refutes the doctrine of parliamentary liberalism. The social in its everydayness puts representative institutions in check.—Everything that is the free play of supply and demand is favorable for the general enrichment, and vice versa: the "crisis of 1911 and 1929" refutes the post-Keynesian revision of that doctrine. The passages promised by the great doctrinal syntheses end in bloody impasses. Whence the sorrow of the spectators in this bloody end of the twentieth century.

*(The Differend: Phrases in Dispute, pp. 179-180)*

As the title of his book indicates, Lyotard wants to reduce all discourse to disputes between different "phrase-regimes." Lyotard wishes to distinguish a differend from a litigation. The former is a conflict that cannot be "equitably resolved for lack of a rule of judgment applicable to both arguments." Although he does not come out completely against theories that can make some kind of ontological claim about the structure of the social world and history as Rorty and Fish clearly do, his book veers dangerously close to the kind of anything goes vein of relativism that he wishes to avoid. I focus on Lyotard here because of the combination of the sense of responsibility and the sense of despair his works display so clearly. It is the particular clarity with respect to the past history but at the same time a certain opaqueness with respect to our ability to make history that makes Lyotard's reading of Kant so poignant.

Lyotard's heterodox reading of Kant distinguishes among cognitive, practical and speculative reason in terms of their being different phrase-regimes. He reads Kant's late writings on freedom, democracy, progress and perpetual peace as a nascent fourth critique of political reason. However, from this beginning he turns to a skeptical aesthetic mode, trying heroically at the same time to connect the aesthetic judgment with practical reason or ethics. "... enthusiastic pathos conserves an aesthetic validity, it is an energetic sign, a tensor of Wunsch ... The infinity of the Idea draws to itself all the other capacities, that is, all the other faculties, and produces an Affect "of the vigorous kind", characteristic of the sublime" (p. 169).

At best, however, this can only lead to an agnostic position with respect to any moral judgment including the justice or injustice of social norms. In producing what he intends to be a politicized reading of the Kantian sublime, Lyotard claims:

you are phrasing ... not according to the rule of direct presentation proper to cognitives but according to the free, analogical presentation to which dialectical phrases in general are held. You can then call upon certain phenomena given through intuition, but they cannot, however, have the value of exempla or of schemata in your argument ... A single referent—say a phenomenon grasped in the field of human history—can be used *qua* example, to present the object of discourse of despair, but also ... to present analogically the object of the discourse of emancipation. And along with this guiding thread, one can undertake an analogically republican politics, and be a moral politician. (Lyotard, p. 163)

But there is seemingly no way to justify either "the discourse of despair" or the "moral politician." If one weakens the case of morality so much and still wishes to defend it, one is left to make the gesture of a Tertullian, who said that he believed in God because it was absurd.

It is thus doubtful that the sublime as a figure of radical heterogeneity can rescue us from giving up the quest for morality and justice. The whole issue degenerates into an "as-if" game analogous to the defense of the maximizing agent by the Chicago economists.

Because the feeling of the sublime is an affective paradox, the paradox of feeling publicly and as a group that something which is "formless" alludes to a beyond of experience, that feeling constitutes an "as-if presentation" of the Idea of civil society and even of cosmopolitical society, and thus an as-if presentation of the Idea of morality, right where that Idea nevertheless cannot be presented, within experience.

(Lyotard, p. 170)

An even more extreme drift towards a hazy relativism characterizes the writings of Baudillard. In case of Baudillard, as Christopher Norris with respect to Lyotard and some deconstructionists points out there is a much greater willingness "to jettison every last notion of truth, justice, or critical understanding." Norris goes on to add provocatively:

Another—exemplified by Lyotard—is the more refined version of postmodernist thinking that preserves those ideas but only on condition of driving a wedge between judgements of a speculative (ethical) order and cognitive truth-claims of

whatever kind. Then again, there is the turn toward that thoroughly depoliticised version of deconstructionist thought that reduces all concepts to metaphors, all philosophy to an undifferentiated "kind of writing", and hence all history to a play of ungrounded figural representations. In each case—so I have argued—theory has served as an escape-route from pressing political questions and a pretext for avoiding any serious engagement with real-world historical events. Worst of all, these ideas deprive critical thought of one resource most needful at present, i.e. the competence to judge between good and bad arguments, reason and rhetoric, truth-seeking discourse and the "postmodern" discourse of mass-induced media simulation.

(Norris, p. 44)

A notable exception to this trend is Derrida, especially in his recent writings. I have argued elsewhere about the ethical aspects of the discourse presented by Deleuze and Guattari (in their case a similar assertion is made by Foucault in the preface to *Anti-Oedipus*). However, Derrida's formulations, when followed carefully, I will try to show, can be helpful in formulating a positive discourse on justice in general and economic justice in particular. In his response to Searle, Derrida denies that deconstruction suspends reference. Furthermore, he equates *différance* and reference, at least provisionally.

A few moments ago, I insisted on writing, at least in quotation marks, the strange and trivial formula, "real-history-of-the-world", in order to mark clearly that the concept of text or of context which guides me embraces and does not exclude the world, reality, history. Once again ... as I understand it (and I have explained why), the text is not a book it is not confined in a volume itself confined to the library. It does not suspend reference—to history, to reality, to being, and especially not to the other since to say of history, of the world, of reality, that they always appear in an experience, hence in a movement of interpretation which contextualizes them according to a network of differences and hence of referral to the other, is surely to recall that alterity (difference) is irreducible. *Différance* is a reference and vice versa.

(Derrida, Limited Inc., p. 137)

Much earlier in his "Structure, Sign and Play," Derrida had remarked:

Tournée vers la présence, perdue ou impossible, de l'origine absente, cette thématique structuraliste de l'imédiateté rompue est donc triste, négative, nostalgique, coupable, rousseauiste, de la pensée du jeu dont l'affirmation nietzschéenne, l'affirmation joyeuse du jeu du monde et de l'innocence du devenir, l'affirmation d'un monde de signes sans faute, sans vérité, sans origine, offert à une interprétation active, serait l'autre face. Cette affirmation détermine alors le non--centre autrement que comme perte du centre. Et elle joue sans sécurité. Car il y a un jeu sûr: celui que se limite à la substitution de pièces données et existantes, présentes. Dans le hasard absolu, l'affirmation se livre aussi à l'indetermination génétique, à l'aventure seminale de la trace.

Derrida

Turned towards the presence, lost or impossible, of the absent origin, this structuralist thematic of broken immediateness is thus the sad, negative, nostalgic, guilty, Rousseauian face of the thought of free play of which the Nietzschean affirmation, the joyful affirmation of the free play of the world of signs without want, without truth, without origin would be the other face. This affirmation then determines the non-center as other than the loss of the center. And it plays without security. For there is a sure free play: that which is limited to the substitution of the given and existing, present pieces. In absolute randomness affirmation gives itself up also to the genetic indeterminacy, to the seminal adventure of the trace.

(my translation)

Is it possible to give expression to the capacity for free play, the fulfillment of need/desire without lapsing into mere "phrase-regimes"? Surprisingly an affirmative answer to this is possible. A rigorous blend of the "modernist" Hegel with poststructuralist Derrida is a tantalizing possibility that can advance the discourse on justice in the cultural context of postmodernism in interesting ways. In the rest of the paper I will show that such a revised, non-foundational epistemology does not lead to a free floating ontological and moral relativism. At the same time, by elaborating on Lacan's elucidation of the idea of the subject, I construct a dynamic concept of the subject so that "agency" is a concept that can be used even when shorn of its "traditional" modernist epistemological baggage. Finally, by bringing these concepts in direct confrontation with the world of economic relations, the question of economic justice can be reformulated in the "postmodern" context without postmodern "phrase-regimes."

### III. Deep Democracy and Economic Justice Without Foundations

If the anti-foundational battle cry of the postmodernists is not to lead us to the doors of nihilism and relativism, what epistemological turn must be taken? Put in another way, is there a way to avoid foundations and speak of economic justice (or justice in general) at all?

Surprisingly, Hegel raised precisely this issue in his *Philosophy of Right*. Earlier, in both his *Phenomenology of Spirit* and *Science of Logic*, Hegel had shown how to dissolve the standpoint of the subject and begin the investigation of thinking without presuppositions. Quite remarkably this strategy allowed him to avoid the foundationalist fallacies of positing a predetermined given and a privileged determiner. At the same time he was able to avoid the trap of "anything goes" philosophical attitude.

Rejecting natural rights and justice on the grounds that these are foundational is not logically equivalent to saying that there is no alternative route to justice. Only a binary logic that reduces the universe of discourse to natural rights or nothing else can consistently claim that the denial of natural rights is to be equated with the proposition that it is not possible to talk about rights at all. Or, to reduce all such talk, as Lyotard does, to mere phrase-regimes can hardly be the most logical alternative if one can find a way of talking about rights and justice in a non-foundational way.

In fact we can reject the standard phrase-regimes of contemporary ethics—utilitarianism, deontology and communitarianism—without falling prey to nihilism. Ironically, all three of these positions, although they contradict one another, also deny in various ways that reason can prescribe the ends of human actions. Thus, postmodernism, in a certain sense, carries the "rational" skepticism of these modernist positions to its ultimate irrationality.

The key to avoid both the limited rationality of modernism and the unlimited irrationality of certain kinds of postmodernism is to see right and justice within a framework of social interaction. In contrast with Nietzsche morality cannot be reduced to an individual's will to power in such a social context. Only rights recognized by others reciprocally can be rights as such.

The specific relations that constitute the economic interactions in society can then be brought under such a framework of rights. These rights are non-foundational because in order to build up this structure we begin from nothing but self-determining social individuals and their interactions. Initially, nothing but an abstract right of property in self can be seen with such beginnings. The important point to note is that no



assumptions regarding the nature of individual self or any appeal to the natural laws need to be made.

Starting with such abstract rights of property, it is possible to move to rights within family, civil society and the state. Some of Hegel's views on these (especially family, constitutional monarchy or estates) are certainly outdated. The question can even be raised if these were the right prescriptions in his own time.

However, using Hegel's non-foundational approach, it is possible to rationally construct a structure of rights within which economic rights will take a prominent position. Economic rights have as their sphere both family and civil society. The sharing of household roles through mutual recognition between consenting adults who need not be heterosexuals is the cornerstone of rights and responsibilities within family. An important aspect is the protection and nurturing of children. Hence children, as soon as they can think and articulate their thoughts must also be thought of as bearers of right. The sharing of economic resources without gender or age bias is the major issue of household economic justice. It can only be resolved by recognizing rights that are real and rational.

The largest sphere of economic justice, is of course within the economic sphere itself. Here, the markets for labor, capital and consumption goods both facilitate self-determination and hamper it. Markets facilitate self-determination by making it possible to exchange one kind of property for another according to the self-affirming needs of the individuals. However, under large-scale organizations owned by private individuals and pervasive inequalities in the distribution of wealth and income only some are allowed to use the market for their self-determination. Furthermore, pervasive monetary calculations orient even these individuals towards measuring their worth in purely monetary terms. A Veblenesque competition for more money in order to have more worth results in an endless striving to increase wealth. The production of a civilized cultured way of life may be an accident and usually not valued as much as the pursuit of wealth. Economic justice under such a regime therefore is not *Pareto Optimality*. It is not the distributive justice of equating marginal product with real wage. It is not even Rawlsian maximin criterion, although under conditions of extreme inequality it may be a good first move.

Economic justice may require more equality of resources than there is at present. But as a concept it demands freedom as self-determination of individuals in the economic sphere. Since the structure of private ownership capitalism leads to "freedom" for a few, such a system cannot be just. The late socialist system also was not just, since resources were politically controlled and markets were suppressed even where they could

be used to further the self-determination of individuals. Of the twin purposes of markets self-determination and wealth creation, the former is an end in itself, while the latter is merely a means. Economic justice with respect to the operation of markets, therefore requires creating a structure of ownership and distribution that will allow self-determination for its own sake and also creation of quantitatively enough and qualitatively the right kind of wealth for making the need-satisfaction of a progressively more civilized society possible.

In order to make such a concept of economic justice tenable, however, at least a cluster of conditions connected with deepening democracy must be realized(Khan 1994, 1998). The following is a list of such cluster conditions.

#### Cluster Conditions for Deep Democracy<sup>4</sup>

1. ending of economic and other status inequalities;
2. public emphasis on furthering democratic autonomy, internationalism, and individuality;
3. adequate incomes for all socially recognized work, as well as for children, the handicapped, the aged, and others not able to work in order to promote equality of capability;
4. respect for and articulation of differences in public life and within parties;
5. downward democratic congruence of and within ordinary social institutions, including work place democracy;
6. debate over the history and future of the movement- the nature of deep democracy – in neighborhood assemblies and schools
7. cultivation of respect for civil disobedience, strikes, and other acts of protest on major public issues;
8. integration of local and national leaders into features of ordinary economic and political life and creation of arenas for criticism;
9. curtailment of all direct political intervention in the arts, religion, and personal life;
10. establishment of independent judicial, policy, communication and electoral review bodies;
11. diversity of perspective in communications and education;
12. use of differential, serial referenda on central issues;
13. public funding of issue-oriented committees as well as parties;
14. takeover of some security and civil judicial functions by neighborhood or regional democratic associations; abolition of centralized, especially secret police powers and units;
15. universal public service, military or community; restructuring of armed forces in a defensive, civilian-oriented direction; removal of authoritarianism of rank and status, and institution of democratic unit organization, allowing serious discussion of policy;
16. proportional representation of parties;
17. abolition of patriarchy;

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<sup>4</sup> Khan(1998)p. 101

18. adoption of democratic child-rearing practices;
19. full freedom of social intercourse of diverse groups;
20. full freedom of diverse cultural expression;
21. encouragement of the arts and varying modes of expression so that every individual can experience and struggle with the challenge of non-dominating discourse;
22. practice of radical forms of individual and group subjectivity leading to what Guattari has termed the molecular revolution;
23. adoption of technology and innovation systems which will reinforce the conditions above, rather than undercutting them.

It may be useful to elaborate upon the idea of social capabilities in condition 3 above. We can summarize following Nussbaum and Sen and give a social interpretation of all the capabilities as in Khan(1998):

#### Summary of Social Capabilities<sup>5</sup>

1. Being able to live to the end of a complete human life, as far as possible.
2. Being able to be courageous.
3. Being able to have opportunities for sexual satisfaction.
4. Being able to move from place to place.
5. Being able to avoid unnecessary and non-useful pain and to have pleasurable experiences.
6. Being able to use the five senses.
7. Being able to imagine.
8. Being able to think and reason.
9. Being acceptably well-informed.
10. Being able to have attachments to things and persons outside ourselves.
11. Being able to love, grieve, to feel longing and gratitude.
12. Being able to form a conception of the good.
13. Capability to choose; ability to form goals, commitments, values.
14. Being able to engage in critical reflection about the planning of one's own life.
15. Being able to live for and to others, to recognize and show concern for other human beings, to engage in various forms of familial and social interaction.
16. Being capable of friendship.
17. Being able to visit and entertain friends.
18. Being able to participate in the community.
19. Being able to participate politically and being capable of justice.
20. Being able to live with concern for and in relation to animals, plants and the world of nature.
21. Being able to laugh, to play, to enjoy recreational activities.
22. Being able to live one's own life and nobody else's.
23. Being able to live in one's very own surroundings and context.
24. Capability to have self-respect.
25. Capability to appear in public without shame.

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<sup>5</sup> Sen and Nussbaum, as cited by Khan(1998)p. 95

26. Capability to live a rich and fully human life, up to the limit permitted by natural possibilities.
27. Ability to achieve valuable functionings.

#### IV. Is there a subject?

Even if the foregoing argument is accepted, there still remains a final problem. Indeed this problem is thorny enough to make the task of plucking the flower of economic justice seem completely hopeless. This is the problem of agency or—as it is well known in the French postmodernist and poststructuralist circles—the problem of the subject.

In France it was made popular by Althusser's discussions of ideology.<sup>6</sup> However, the deeper philosophical and psychoanalytic motivations for considering the subject problematic have been articulated by Lacan.

In Lacan's view the subject has both consciousness and unconscious motivations. The unconscious part is the source of the problem. No matter how coherent (and thus capable of agency) the person might *seem to be* as a *conscious* agent, the unconscious is in fact quite chaotic.

Lacan buttresses his claim with the hypothesis that the structure of the unconscious is the same as the structure of repressed signifiers in early entry into the symbolic realm by the child. This chain of repressed signifiers hides the actual incoherence of the subject's subjectivity.

Lacan's position raises several intriguing possibilities for explaining ideology, not the least of which is the explanation of patriarchy. By an assimilation of what he calls the "phallus" as a transcendental signifier while other contradictory signifiers are simply suppressed, patriarchy gains a semblance of naturalness. As long as the socialization processes that make such simultaneous transcendence and repression possible, patriarchy cannot be eradicated. More generally, the much vaunted individualism in a bourgeois society can also be seen as a suppression of all contradictory tendencies and relegation of such tendencies to the unconscious.

Undoubtedly there is a great deal of truth in this, even if one does not go all the way towards accepting all the pieces of this neo-Freudian poststructuralist semiotic psychoanalysis. However, the leap from a nuanced analysis of the unconscious aspects

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<sup>6</sup>See, for example, Althusser's essays on ideology in *For Marx and Lenin and Philosophy*. Althusser seems to misconstrue Lacan's concept of the *imaginary* (and implicitly, the mirror stage) in the former.

of the psyche to the conclusion that there is no subject with a moral capacity for action is illegitimate for several reasons.<sup>7</sup>

First, the idea of a subject can have a limited warrant even if the unconscious motivations are discerned as contradictory. This is close to the idea of a juridical subject. The potential for moral capacity of such a subject is weaker than the formulation that follows. Nevertheless, even such weakly constituted, quasi-juridical subjects can serve as putative agents of moral actions.

The second and more important objection to the Lacanian fallacy is that Lacan's position can actually be used effectively to reformulate the view of a subject. In fact, recognizing the inevitable unconscious contradictions allows one to distinguish between two kinds of subjecthood in a dynamic sense.<sup>8</sup>

On the one hand we have the (relatively) unaware subject who is the ideological construct "individual." Such a person may be shored up by all the reassuring dogmas and ideologies of our contemporary society. The crack in the mirror where such a person observes himself is invisible as long as he is ignorant of his own inner turmoils at the conscious level. This is not to say that archaic thought-processes or emotions do not invade the person from time to time. And this happens, not as is usually assumed, just in a dream-state. As Lear (1990, p. 37) expresses it in connection with his (re)reading of Anna O.'s fantasy:

It is because fantasies of mental functioning are pressed from the beginning of mental life and actually influence mental functioning that psychoanalysis can be a "talking cure." If mental functioning were as remote from a person's self-understanding as, say brain functioning, there would be no reason to think that a person could tell us about his mental processes. But it seems that even the most archaic unconscious mental process contains within it an implicit fantasied "theory" of that process. A "theory" of the mental process is part of the person's (perhaps unconscious) experience of that process. Thus the fantasied "theory" becomes part and parcel of the mental process, and in altering the fantasy one alters the mental process itself.

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<sup>7</sup>It is not clear if Lacan himself would go so far, but most postmodernists, French and non-French alike (e.g., Foucault and Rorty), have taken this position.

<sup>8</sup>I hope it will become clear in the following discussion that actually there is a continuum of subjects within this dynamic setting.

Lear explains that the strangeness (to us) of the above formulation comes only from our habit of equating the fantasy to "a mental image, projected on the screen of the mind." But the confusion dissolves if we ask: how can such an image affect mental functioning? Without assuming in a circular way that mental functioning is affected by images of its functioning, no answer consistent with the mental image equation seems possible. The way out of this conundrum is to reject the equation itself. As Lear puts it:

A person's subjectivity is powerful not merely because it is striving for expression but also because it may be expressed archaically. Archaic mental functioning knows no firm boundary between mind and body, and so archaic mind is incarnate in the body. Although fantasies may be expressed in images, they may also occur in paralyses, vomiting, skin irritations, spasms, ulcers, etc., and even by being dramatically acted out by the person whose fantasy it is. In this way a person's subjectivity permeates his being. So, for example, if a person's fantasied "theory" of catharsis is that it is an emotional purgation, this "theory" should be manifest in various aspects of that person's experience: he may feel "drained", or "depleted", "spent", "exhausted", "empty", after a cathartic emotional experience. This is the sense in which every person must have the truth within him. (pp. 37-38)

Actually, Lacan's discussion of "petit objet `a" shows that within the context of a radical objects relations theory the development of the *homlette* does leave behind residues of archaic mental functioning. Without considerable indulgence in a "talking cure," perhaps of the Lacanian variety, one may not be able to give conscious, conceptualized symbolic form to these archaic fantasies. But this in no way negates the fact that such is the way of the unconscious expressing itself.

Thus, the insertion of the child into the *symbolic* universe creates both repression and the possibilities for overcoming the repression. It is this second aspect of *the symbolic* that holds the subject's potential for moral capacity.

As a person yet unable to fully conceptualize her condition, she is not incapable of a moral personality. As Jonathan Cohen argues persuasively in his "A View of the Moral Landscape of Psychoanalysis," the trained analyst can perceive both the moral capacities and moral failures of such "subjects." Conceptually, the argument simply establishes the possibility of the subjecthood of a person. The precise content of the subjectivity may indeed be unhealthy in a clinical sense. But such characterization only

re-establishes the moral potential of the person as an agent. Denying this potential is itself an act of ideological repression.

Such considerations lead us to think of a second type of moral agent. This is a subject whose awareness has unfolded to such an extent that she is able to *conceive* of herself as a moral agent. However, such awareness also encompasses the repression that accompanies our insertion into the symbolic. Thus her moral insights about herself and the world also include a recognition of human vulnerability, epistemic shortcomings and the need for a *twofold dialogue*. This dialogue is, on the one hand, a conversation within oneself<sup>9</sup> and, on the other, a dialogue with the outside world. Depending on the state of the individual psychoanalytic therapy may or may not be necessary for such subjectivity to occur. However, as I have argued elsewhere (Khan, 1992, 1993a,b, 1995), in a just and democratic society, the resources for such therapy will be available to all.

Here a further source of confusion may arise. There is a widespread view both within and outside of psychoanalysis that analysis "shrinks the realm of the moral responsibility." As Nancy Sherman puts it, "there is the surface paradox that while morality is ubiquitous, the clinical hour boasts of time and space that is morally neutral,..." (Sherman, p. 1). But as Wallwork (1991) has argued, psychoanalysis is uncompromisingly situated within an ethical perspective. Sherman follows and develops Aristotle's critique of the Socratic denial that one can know what is good and fail to act on it. Aristotle, of course, claimed that Socrates' denial of *akrasia* was simply "against the plain facts" (*ta phainomena*).

However, Aristotle views *akrasia* as an *intellectual* failure rather than a failure of desire. In discussing Freud's own case of being afflicted by the "blindness of the seeing eye" in his struggle to understand the case of Miss Lucy R.'s knowing and not knowing her love for her employer, Sherman explains:

The Socratic dogma that knowledge can't be tyrannized by desire has long been abandoned. But against Kant, it is not simply the inner tribunal of conscience and moral judgment that will track down secret but motivating desires. Conflictual and concealed mental contents need a therapy of self-knowledge that does something other than continue to disavow them. They need to be heard from, in parliamentary fashion, and given their own voice as a part of coming to be united with avowed and endorsed interests. Therapeutically working through

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<sup>9</sup>Or, to be more precise, an "interior monologue" where the unconscious processes are symbolized, interpreted and conceptualized.

what is disavowed or repressed requires freedom from the stance of moral appraisal, even if the decision to submit to the analytic process might be thought of as a morally praiseworthy act in the most general sense of taking charge of one's character, and pursuing that project with courage. (Sherman, p. 13)

But the outcome of the therapy when it succeeds is to produce a new type of agency.

No longer split off from emotion's testimony, agency takes on a newer and bolder form. *Psychoanalysis transforms the notion of moral agency by bringing the emotions to the center.* In an ironic way, the "talking therapy" seems to be able to bring to moral agency those potential allies that moral theory, so often on its own, does not quite know how to train or enlist. (Sherman, pp. 22-23, emphasis mine)

Therefore, for both types of subjects, it should be emphasized, the possibility of acting justly (or otherwise) remains open. In an unjust economy and society, most are victims of oppression and injustice. In a nearly just society, such institutionalized injustice disappears, but there could still be unjust actions by individuals for which they should be culpable. However, in a well ordered society, the view towards crime and punishment may be very different from ours. Instead of responding to issues of guilt with conventional punishment, a more compassionate, therapeutic approach may be taken.

The point of this paper, of course, is not to produce a blueprint for a future just society, but to open up the possibility of such a discourse even under the postmodern conditions of epistemic uncertainty and anti-foundationalism. Enough has been said, I believe, to show that even a radical epistemic uncertainty is consistent with the two kinds of subjects discussed here. The previous discussion of a Hegelian approach to foundationalism was intended to show that anti-foundationalism is also consistent with a systemic approach to economic and social justice. Thus both at the level of large-scale social and economic structures and at the level of the individual's epistemological uncertainties, anti-foundationalism need not lead to skepticism, relativism and ultimately nihilism.

### Conclusions

I have tried to consider the postmodernist position with regards to democracy and economic justice by paying careful attention to the arguments of leading postmodernists. Barring a nihilism that rules out arguments entirely, such a procedure seems reasonable.



Following this procedure, Lyotard's characterization of the discourse on morality and justice as phrase-regimes has been shown to lead to an ethical impasse. His appeal to the Kantian sublime, in this context, would seem to be a category mistake. The aesthetic category of sublime does not fit the requirements of moral judgments even in Kantian terms.

Epistemologically, the postmodern dilemma arises from a correct critique of metaphysics and transcendentalism. However, the critique is partial and negative. It is partial in the sense that it does not take the challenge of Kant to develop normativity seriously enough to explore alternatives as Hegel did. It, therefore, pursues entirely the negative critical path leading to thoroughgoing skepticism and nihilism.

Derrida's belated attempts to rescue philosophy from a linguistic nihilism may succeed. But it still falls far short of offering a positive account of normativity. A critical overcoming of modernism simply cannot be found in the postmodern turn.

I have offered as an alternative to natural law and transcendental norms an account of Hegel's explorations. As Winfield and others have pointed out, this approach is also anti-foundational. However, by following the rational demands of self-determination, it is possible to break out of the vicious circle of skepticism. Instead a progressive structure starting with the minimum structure of freedom as self-determination can be built up.

Following this alternative offers a way of exploring economic justice. A concrete set of institutions consistent with the development of self-determination can be seen as necessary for the idea of economic justice to have meaning. In the spheres of production, distribution, exchange, law and contracts among others, the development of appropriate economic institutions allowing this inter-subjective idea of freedom to unfold becomes the thematic development of economic justice.

An important problem in this context is the coherence of the concept of the moral subject. By carefully considering poststructuralist psychoanalytical theory of Lacan and others a dynamically oriented approach to the question of the subject becomes possible. Pre-Freudian thinkers such as Hegel or Marx did not see the formation of the individual in all its deeply problematic aspects. However, the "speaking subject," though not innocent (as H el ene Cixous wittily put it), is nevertheless capable of agency under specific social and economic conditions. A continuum of subjectivity ending with the fully liberated individual offers various possible levels of moral agency. In an economically and socially unjust setting radical analytic and social interventions will be necessary for these possibilities to materialize.

Deep Democracy and economic justice, therefore, can be presented as a coherent set of positive requirements. It is part and parcel of the need for rational autonomy in our world. Reasonably enough, even if we choose to call such a world postmodern, a discourse on deep democracy and economic justice is both necessary and possible. It is encouraging to think that such discourses are not just phrase-regimes.

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