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**ARTICLE**

## **Capitalist Subjectivity, Capitalist Governance and the ‘Anti-Globalisation’ Movement**

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### **ABSTRACT**

This paper discusses the question - can the anti-globalization / anti-capitalist movement transcend global capitalist order? First section outlines the essential features of capitalist subjectivity, regulation and transaction. The second section assesses the impact of globalization on capitalist subjectification and governance processes. The third section argues that anti-capitalist movement cannot transcend global capitalist order for it does not reject capitalist subjectification and its necessary prioritization of freedom.

Capitalism can be viewed as a historical (Marx 1982) or a rational (Hayek 1988) order. Neo-classical economics presumes capitalism’s rationality and naturalness. It recognizes no ‘outside of’ or ‘alternative to’ capitalist order and cannot therefore conceive of any systemic transcendence. We do not share this view. Outlining briefly the norms, regulatory processes and transaction forms specific to capitalist order (in the first section) we hope to raise (in the final section) the question that does ‘anti-globalization’/‘anti-capitalist’ movement seek transcendence from capitalism?

**Keywords:** Capitalism, Globalization, Subjectivity, Regimes

### **CAPITALIST NORMS, REGULATORY REGIMES AND TRANSACTION FORMS**

Capitalism’s historical evolution has taken several forms. As Gray argues (1999 Chapter 1) there exist several different capitalist systems. But capitalism is ‘a relentless totalizer’ (Mészáros 1995 p 77) - it is a system and not merely a Habermasian life-world. Capitalism subsumes the social order from which it emerges and creates its own social order. There is a distinct capitalist individuality, social

formation and state organization which permeates all capitalisms (be they Anglo-American, Japanese or Islamic<sup>2</sup>).

Defining these common features requires a working definition of capitalism. Above all capitalist order is founded on the general acceptance of a world view with the following characteristics.

- Individuals act rationally when they seek to achieve ends that they freely set themselves.
- Each individual has an equal right to autonomously determine his own ends - his conception of the goods.
- The purpose of social organization is to ensure
  - That individuals become capable of un-coercively determining their own conception of the good.
  - That society organizes human relationships in a manner, which enables all individuals to acquire a continuously increasing flow of resources for fulfilling these autonomously, conceived life plans.

Capitalist individuality, society and state are practical manifestations of this world view. Capitalism is a system in the specific sense that its three sub-systems; individuality, society and state - are interconnected and interdependent. Each sub system requires the continuous reproduction of the other sub-systems for its own reproduction. Capitalist individuality, society and state express a set of generic norms which distinguish capitalism from other systems.

Norms and values of capitalism distinguish it generically from other systems. The essential capitalist value is freedom - that is why capitalism is often described as a 'free society'. The individual in capitalist society is committed to freedom. Freedom is self determination - the right to do what one pleases, as long as this does not interfere with the right of all other members of society to do as they please. Capitalism recognizes no criteria for evaluating the worth of personal choices - he who chooses to run a madrassah is entitled to the same concern and respect as he who chooses to manage a bar. The only unworthy act is to restrict the freedom of the individual to do as he pleases.

Capitalism recognizes the shortage of material resources as the most important constraint on freedom. Society must be organized to maximize the potential for producing and consuming goods and services (for an increase in goods and services is a pre-requisite for increasing freedom). Ones ability to do as one pleases, in capitalist society, is ultimately limited by the size of ones income and wealth.

Therefore two very important values promoted by capitalism are *acquisitiveness* and *competition*. One must continuously be induced to desire more and more resources

for oneself. Moreover since everyone in capitalist society possesses this insatiable desire for more resources they must compete against each other and derive pleasure from competition. Acquisitiveness and competition are thus necessary means for a continuous increase in resources. This continuous increase in resources available for production and consumption becomes an end in itself in capitalist society. A capitalist society is one which accumulates for the sake of accumulation and evaluates all activities in terms of their contribution to accumulation.

Capitalist social organization seeks the universalization of these norms through the expansion of the market. Capitalist markets and capitalist property forms are historical constructions in the specific sense that laws and practices are required for their emergence and their sustenance. Historically constructed markets cannot be viewed as natural outcomes of myriad unrelated events or attributed to the natural evolution of technology. This illustrates the fact that capitalism requires regulation. The politically legitimated source of this regulation has traditionally been the liberal and/or nationalist state and its agencies; but regulation is also undertaken by firms, labor unions and multilateral agencies such as the IMF and the WTO. Regulatory systems have their origin in national and local histories and the form and intensity of regulation continue to change over time.

Thus regulation in all capitalist countries must involve the legitimating of capitalist property, the vestment of control of this property in the hands of a technically skilled managerial elite (who are not the formal owners of the assets they manage); the enforcement of capitalist contracts premised upon the formal equality and the factual inequality of contracts, etc. Although it is the duty of every capitalist state (be it American, Pakistani, Saudi Arabian etc.) to preserve these essential elements of the capitalist system, yet each state has to define the scope of capitalist property, the balance of powers between capitalist owners and managers, the legal form of capitalist contracts etc. on the basis of its own history and traditions.

It is thus useful to speak of a ‘mode of regulation’ (which is a set of mediations in a capitalist civil society and state) undertaken to ensure that social distortions created by a specific ordering of capitalist transactions do not destroy the overall (political, social, economic) coherence of that civil society and state (Aglietta 2000).

Specifically these mediations must ensure:

- a) systemic dominance of the desire to accumulate through the promotion of the values of acquisitiveness and competitions.
- b) continued expectation of increased access to resources for accumulation.
- c) ensuring of compatibility between claims and obligations for continuing accumulation.

Firms and banks play an important part in the regulatory process. They persuade one to participate as an efficient contributor to accumulation. They structure rules of payment, flows of goods, financial relationships and a hierarchy relating stake holders with claims on and obligations to the collectively produced added values. These structures (laws, rules, ordering of rights and duties in enterprises and in markets) require political legitimating; something the state alone can provide on the basis of a socially dominant ideology (liberalism and/or nationalism and/or social democracy). The political nature of this mediation process is a reflection of the underlying tension between capitalism's need to accumulate and its need to legitimate regulation.

We will now outline the major features of the capitalist transaction form. Capital may be defined as 'ever expanding exchange value in the form of pure quantity' (Meszaros 1995 p 115). This expansion takes place in markets where self-interested individuals pursuing freedom contract with each other for an exchange of formally equivalent values. These exchanges normally take place in markets which require, that the social legitimacy of capitalist property be recognized. In mature capitalist social formations non-capitalist property is totally subordinated to capitalist property.

The continued dominance of the capitalist property form requires that legitimate power be transferred to those who can best organize production and exchange for accelerated accumulation directly (i.e. in the circuit of capital) or indirectly (in the super-structure). This implies a universalization of the wage form - for it is the wage form which structurally relates rewards to efforts.

Capitalist property is no longer 'private' as it is dedicated to accumulation. Control of this property is effectively vested in individuals who possess the skills and knowledge to accelerate efficient accumulation. They 'manage' capitalist property on behalf of its formal owners. The rewards to both owners and managers correspond to success achieved in the use of resources to accelerate efficient accumulation. The wage form is universalized in two ways (a) accelerated efficient accumulation implies increased centralization and concentration of capitals and hence a reduction in the section of the population which is not dependent on waged or salaried labour, as a main source of its income and (b) property 'owning' individuals become crucially dependent on the skills of the dominant salaried 'managers' to accumulate efficiently. As Meszaros writes '[t]he capital system is [the] first one in history which constitutes itself as an unexceptional and irresistible totalizer. This characteristic makes the system more dynamic than all the earlier modes of social .... control. But the price that must be paid for this incommensurable totalizing dynamism is .... the loss of control over the decision making process. This applies even to the richest capitalists for no matter how many controlling shares they own their power of control within the framework of the capitalist system is quite

negligible. They must obey the objective imperatives of the system just like every one else or suffer the consequence and go out of business' (1995 p 41 – 42).

In this sense there is striking similarity between capitalist and socialist property. Since both are dedicated to accumulation (freedom) both require the separation of ownership from control, the universalization of the wage form and the social dominance of a technocratic managerial elite - which possesses accumulation know how and know why.

The separation of ownership from management in capitalism is partly a separation of savers from investors. Accumulation requires the conversion of idle money into interest bearing deposits and credit. Accumulation for its own sake requires and is crucially dependent on the social dominance of capitalist money and capitalist financial markets. Money is central to capitalism - not marginal as it is in pre and post capitalist societies (Itoh and Lapavitsas 1999). Capitalist money is an independent form of exchange value. It's creation and expansion does not depend upon an increase in the production of any other commodity e.g. gold, silver, nickel or paper. It can be created at will by deposit taking institutions seeking profit maximization and the central bank is forced to accommodate these decisions by the creation or destruction of high powered money. Money has been described on the *nexus rerum* of capitalist society (Itoh and Lapavitsas 1999 p 55). It is the supreme encapsulation of capitalist society's social relations which revolve around and are determined by (at least in the last instance) an unchanging commitment to the continuous expansion of exchange value. Capital cannot continuously reproduce its web of social relations without the continued social dominance of capitalist money.

A capitalist financial system is dedicated to the conversion of money into capitalist money. This conversion requires the existence of financial markets - the money market and the capital market. These markets mobilize money which has been withdrawn from the circuit of capital (Keynes termed this 'hoarding'). This money is re-injected in the system in the form of bank deposits and equity investments. Accumulation in mature capitalist systems mainly takes place in financial markets for it is these markets which permit limitless accumulation. Accumulation of physical goods (e.g. oranges) and services (e.g. haircuts) have obvious physical limits but the system of numbers is infinite. Accumulation in the form of financial assets can in principle be limitless accumulation - though in practice this is never the case (as the inevitable mismatch between financial claims and obligations lead to market 'retreats' and 'corrections'). These retreats and corrections reflect the dependence of financial markets on the production and trade of physical goods and services. This dependence can never be entirely eliminated for in an ultimate sense finance requires the production and trade of real goods and services and the financial sector can never be fully autonomous of the real economy.

But this dependence of finance on production is like the dependence of the Master on his Slave. It is the Master who decides what the Slave will do and importantly what the worth of the Slave's activity is, relative to the worth of the activity of other Slaves. In capitalist society relative values of economic activity are normally established in financial markets. Financial markets value all activities in terms of the relative contribution they make to capital accumulations. The continuous trading of financial claims graphically proclaims the sovereignty of capital and finance as the medium through which this sovereignty is articulated. In capitalist society, we all have the supreme duty to serve capital and financial market transactions; also continuously assign value to activities in terms of their affectivity in the performance of this supreme duty. Financial transactions are thus the prime *modus vivendi* for the continuous accumulation of capital.

### **THE IMPACT OF GLOBALISATION ON CAPITALIST ORDER**

We will now proceed to outline the impact of globalisation on capitalist norms, regulatory processes and transaction forms.

Globalisation may be seen as a process of market colonization (Walzer 1984) of society. The market represents a transformation of individuality in that individuals within it discard their social embeddedness and articulate an autonomy dedicated to utility/profit maximization. Values of market traded commodities are determined without reference to non-capitalist (extra market) valuation determinants. It is this social disembodiedness of the globalized market and of the individuality which flourishes within it that grounds its claim for self-regulation. State or social interference in the determination of market outcomes are seen as irrational for the market necessarily, rationally, automatically produces the best harmonization of autonomous competing interests. Whenever the 'efficiency' argument is made for the liberalization of national commodity or finance markets it is premised on this presupposition. All globalizing states must be market friendly in the specific sense that they protect the capitalist individual's right to participate in capital accumulation through the possession of capitalist property. State power in global order is thus legitimated on the grounds that it protects capitalist property and its associated human rights.

The globalizing consumer is increasingly rational. Not only is he a compulsive utility maximiser - he knows that preferring 'preference' itself to all specific preferences is necessary for the maximization of utility/profit. This 'pure' preference can only be represented by capital which entitles one to fulfill any and every specific preference. The globalisation of financial valuation is an increasingly legitimated means for articulating the capitalist individual's commitment to pure preference. The capitalist individual expects the globalizing process to stimulate market competition so that markets function to universalize capitalist right and capitalist justice. The globalizing

capitalist individual is an advocate of the commoditization of all transactions. This is because capitalist individuality articulates a specific conception of the good - it is not a refusal to define the good as the neo-classical economists pretend. The good (actually the hyper-good in MacIntyre's words) is freedom - i.e. pure preference. The consumer's preference for capital (i.e. for pure preference) is an expression of the citizens right to unlimited freedom, i.e. the right to define the good as unlimited never ending choice between infinite specific preferences valued only in terms of their contribution towards enhancing the capitalist individual's freedom.

If capitalist order is to be universalized the market must subordinate all other 'spheres of justice' and modified forms of market valuation (e.g. social cost benefit analysis) must subordinate all other valuations; this is necessary for the universalization of freedom. All decisions must be subjected to and justified by the preference for preference itself. Consumer preferences must determine all decisions (not just decisions of the market) for well-being is measured in terms of consumption (in utils) and raising levels of consumption is necessary for raising profitability. A non-utilitarian calculus for measuring welfare and profit cannot be operationalized in capitalist society.

The fact that globalisation processes facilitate monopolization of market structure should not obscure the equally important fact that globalisation stimulates competition and stimulates oligopolistic markets to mimic perfect markets in balancing the search for abnormal profits and the quest for enhanced efficiency. The sovereignty of the consumer, like the sovereignty of the citizen (of which it is an aspect) is a manipulated but not a fictitious, sovereignty. In principle the consumer like the citizen can choose anything but the market and the republic ensure that his choices are not incompatible with the choice of 'choice' itself. The market values consumer choices in terms of their relative contribution to accumulation as an 'end in itself'. This requires both a maximization of profit (through the exploitation of economies of scale made possible by earning abnormal profits) and a reduction of costs (through mimicking perfect markets).

Globalisation has led to an increased legitimation of human rights ideology with its necessary negative impact on the legitimacy of collective identities. Capitalist individuality proclaims the universality of capitalist rights/human rights for it sees capitalism to be a natural not a historical order.

The capitalist conception of property (corporate property), life (the body as property) and conscience (triviality of personal preferences as determinants of social value) provide touchstones for evaluating the moral decisions and practices of all governments and all societies (Donnelly 1999). In this perspective 'disagreement in ethics signal(s) nothing more than that some people are less (E)nlightened than are others' (Rachel 1986 p 32). Capitalist moralists argue that the Enlightenment



movement of the eighteenth century has provided the universal value references of utilitarianism, rights theory and neo-Aristotelianism for evaluating the policies of all governments and societies. These theories stake a claim to rationality and a-historicity; a claim rejected by Islam and Christianity and some Post modernist philosophers - which underpins capitalism's claim to legitimate universal dominance and hegemony.

Americanization of national corporate laws, regulation procedures, norms and standards - in relation to tax treatment, relationship between regulatory agencies and corporations, relations between employees and employers, financial disclosures, consumer rights, safety and health protection requirements - is a defining characteristic of globalized capitalist order. Globalization is an American project in that American dominance and hegemony - and American dominance and hegemony alone - is necessary for its sustenance. Globalization must therefore involve a universalization of American culture - Hegel foresaw this when he predicted 'the end of history' at the beginning of the nineteenth century and today Fukuyama and Rorty are repeating his arguments (see specially Rorty 1998).

As Hegel (1974) foresaw Enlightenment values have flourished most successfully in America, where due to the mass slaughter of fifteen million Red Indians, all pre Enlightenment traditions were ruthlessly put to the sword. The mainstream Christian tradition collapsed because of its connivance in this project of mass slaughter and plunder and the Christianity which took root was Enlightened Christianity - a Christianity which endorsed the Enlightenment values of freedom, equality and progress. These values and the rationality required for their realization are asserted to be universal i.e. the claim is that it is irrational and unnatural to reject freedom, equality and progress as universal values or to pursue them through an organization of individual and social life in a manner not endorsed by Enlightenment rationality. Enlightened values and Enlightened rationality therefore provided the appropriate criteria for evaluation of all cultural practices. Such an approach according to its advocates is not ethnocentric for Enlightenment values should be presumed to be universal.

Cultural differences can be tolerated if they are based on differences in beliefs not on differences in value. A government can discourage multinational investment on the grounds that profit-maximizing behavior on the basis of worldwide sourcing by the multinational will not lead to profit maximization within its national frontiers, but if a government rejects, profit maximization / capital accumulation as an end in itself (a value) it can be regarded as an outlaw, a rogue state and can legitimately be attacked by America. This is merely another version of Richard Brandt's argument (justifying nudity in the tropics but rejecting it in the tundras) that people with similar values can be allowed to behave differently in different circumstances (1959 p 271). Lower

standards of health and safety regulation and lower wages than those in America can thus be justified on the basis of the circumstances prevailing in third world countries.

Cultural differences in strategies for realization of consensual objectives i.e. profit and welfare maximization, for example different tax treatment of multinational earnings in different countries, discriminatory hiring practices (such as requiring a minimum level of education even for unskilled labor) etc may be justified on similar grounds so long as they do not violate human rights. Differences in relative weight assigned to *leisure* and *work* (as for example in France and Japan) may also be tolerated so long as they do not represent a threat to the central Enlightenment values of freedom and progress.

Cultural imperialism is the insistence that freedom, equality and progress are universal values despite America's manifest inability to demonstrate that this is so and its concomitant necessity to use force to sustain the global dominance of capitalist order and American hegemony within this order. Cultural differences, like difference in personal lifestyles can be tolerated in capitalist (i.e. civil) societies only as long as they are trivial - they do not negate the actualization of the core capitalist, values of profit and welfare maximization.

All capitalist states legally endorse practices which facilitate profit and welfare maximization. They all outlaw bribery, slavery and nepotism. They all endorse human rights (Bowie 1993 p 794 – 799). Donaldson's list of 'minimal international consensual rights', widely accepted as guidelines by many major multinationals, succinctly reflects this commitment to core global capitalist values by international business. Donaldson stresses that the bases of this list is provided by the UN Declaration of Human Rights and refers to Rawls' "Difference Principle" for its justification (1993 p 820). Donaldson argues that multinational management should put itself in Rawls' 'original position' when deciding about whether or not it is ethical to avail of relatively relaxed labor and environmental standards in host countries. The multinational manager is rationalizing his policy on the bases of the presumption that profit/welfare maximization is a universalizable objective. It is presumed that all moral agents would accept profit/welfare maximization as a policy justifying objective.

Globalized capitalism may be seen as an overdeveloped order where political organization remains nationally legitimated while markets are globalized and are at least in part legitimated by international agencies, norms, procedures and standards. This quasi-authoritative global regulatory regime which is ultimately dependent on the coercive power of the American state is oriented towards an enhancement of the self regulation of market participants. The emphasis placed by the anti-globalization movement on the responsabilisation of the multinational corporation reflects its acceptance of the ideology of globalization. In this order legitimate authority is

gradually transferred from states to non-governmental agencies, particularly multinational corporations and NGOs. This de-centering of authority and multiplication of its nodes is an aspect of 'Post modernist' culture which characterizes mature globalized capitalist societies. Post modernist culture leads to a de-centering of individual and collective identities and to a de-centering of objectivity itself. Baudrillard saw post-modernity as '*consumer capitalism*' where the agents consume not products but signs; the products consumed have value as signs. Signs float free from the products and domination is achieved not through the product but through the sign. Identities - individual and collective - are constructed through the exchange of 'sign value' (1981, 131 ff). Domination is achieved through discourse. Domination involves the fusion of life and reality into 'the hyper-reality of the spectacle' (1981 p 74). Domination is achieved through a communication network which 'has no end purpose in meaning' (1981 p 80). This dominance of meaninglessness is illustrated for example by changes in the context of advertisements, a hundred years ago they emphasized utility today they emphasize styles and emotional states (Lees 1983 p 17). Domination is achieved by the 'devaluation of meaning'. Identity, especially collective identity, loses coherence and meaningfulness. Collective identities are necessarily constructed on the bases of shared ultimate meanings. Post-modernist culture, as represented for example in pop music -promotes the disintegration of collective identities. This disintegration is fostered by

- Consumption of images, especially of products for their image value.
- The devaluation of meaning, the promotion of the spectacular.
- The blurring and continuous transgression of the boundaries between every day life and culture.

In an important sense the multinational is - and is expected to be - a promoter of the consumption of images, of the spectacle and of the penetration of everyday life by Post-modernist culture especially in the third world where a large and growing segment of multinational investment is focused on communication, advertising, public relations and the entertainment industries. The multinational must participate in the creation and sustenance of a de-centered identity which values image consumption the spectacular and the living of every day life in tune with Post modernist culture. If globalization is to thrive the multinational - among other agents - must struggle to create and sustain appropriate dispositions of the body - tastes and distastes embedding the most vital interests of the subject. This de-centered individuality must be enabled to struggle to impose taxonomies most favorable to its own characteristics on the whole of society. The multinational and the NGO must seek to sustain groupings which can mobilize social and economic capital for the domination of society by values espoused by de-centered individuality. The new groupings are more fluid, de-structured and de-centered than traditional social groupings. Multinationals NGOs and donor agencies must contribute to the production of cultural capital - specially through education, social service and

entertainment. This is necessary for the development of the social hegemony of Post-modern culture and of capitalist order today.

A 'local elite' of Americanized Pakistanis must be made socially dominant to legitimize global cultural and political hegemony. The life style and preferences of this elite must dominate Pakistani society. Needs must be produced on a mass level to make the life style of the Americanized elite an inspirational ideal for society. The creation and sustenance of the 'new needs' requires the restructuring of the economy - the creation of some new spheres of production and distribution and the phasing out of some old ones and the reinterpretation of national history and culture on the basis of an ideology which legitimates the consumption of signs, the devaluation of meaning through the promotion of spectacle and the impregnation of every day life with post modern culture. The de-centered identity created by these means is untrammelled by collective meanings or historical traditions and exhibits a refusal to be pinned to a particular site in a particular social space. The typical decentered individual is at home in the market and in the crowd enjoying a spectacle but he is an outsider to his family and his inherited traditions. The de-centered individual experiences a vicarious universalism of communicative rationality as conceived by Habermas - the television and the internet are the chief instruments forging the consciousness of this universalisation. Decentering thus involves both

- Marginalization from local communities and traditions.
- Espousal of a new universalism grounded in the communicative rationality legitimating the consumption of signs and spectacles and devaluing meaning.

Both these moves promote the universal dominance of human rights ideology which is global capitalism's principle moral discourse. As Lyotard stresses the social dominance of human rights discourse is necessary for the dissolution of meta-narratives (e.g. Islam) and the de-historicizing of culture (1984 p 371) and of meaning itself (Jameson 1997 p 74). Time is 'fragmented into a series of perpetual presents' (Jameson 1997 p 75). Narration is displaced by spectacle and consciousness is suppressed largely through its flattening into a schizophrenic, psychedelic reality. Its own history becomes incoherent to a Post-modern globalizing people. Fascination with immediate gratification in a society consuming signs and spectacles means that narratives such as seeking God's favor, nation building and marriage loose meaning and relevance. Life becomes a sequence of disjointed experiences and events.

Globalization requires social dominance of de-centered individualists. The multinational and the NGO are primary sites for de-centering and de-collectivizing individuals who nevertheless need to associate with each other for the achieving of their individual purposes through accessing common resources (capital). The multinational and the NGO cannot be neutral bystanders in the 'clash of civilizations'. They can thrive only in the era of globalizing capitalism and we have

argued in this section that globalization is as much a cultural as it is a politico-economic phenomenon.

Globalization is an American project in two specific senses.

- It represents a universalization of state society relationships and of identity consciousness that developed in America in the early twentieth century. Globalization requires a de-centering of identities; a dissolution of collectivities and collective rights; a vestment of meaning in activities related to capital accumulation and to it alone and a denial of the possibility (Foucault) and or the need (Rorty) to ascribe meaning to the capital accumulation process as a whole and to the social order which sustains it.
- This inability to legitimate global capitalist order makes global capitalism ultimately dependent on American global coercion. It is American coercive force alone which sanctions and sustains global capitalist order. A collapse of American systemic hegemony will necessarily lead to a collapse of global capitalist order.

America's systemic dominance depends upon the de-centering of identities, the de-legitimation of collective rights, the legitimation of capital accumulation as an end in itself (the acceptance of meaning in 'meaninglessness') and the subordination of national laws and procedures to the international standardization of American practices in accountancy, finance, quality control, labor market regulation, intellectual property right appropriation etc. Which if any of these features of postmodern globalizing capitalism does the 'anti capitalist' movement challenge?

#### **ARE 'ANTI-CAPITALIST' MOVEMENTS ANTI-CAPITALIST?**

In brief our answer to this question is "None - for the anti-globalisation movement endorses the capitalist values of freedom and progress".

In this section we try to understand postmodern activism in the context of a systematic theoretical framework. We begin our analysis by situating postmodern movements in the framework of a Foucauldian theorization of struggles. Concentrating on the notion of subjectivity and subjectivisation, we try to make clear a specific danger manifested by these movements in their present constellation.

#### **FOUCAULT'S THEORIZATION OF STRUGGLES**

Foucault categorizes struggles, in general, into three types:

- Struggles against domination
- Struggles against exploitation
- Struggles against subjection

Roughly speaking struggles against domination are struggles against the domination of one group over another. Struggles against exploitation are struggles against ‘the separate(ion) (of) individuals from what they produce’ (SP: 212). And finally struggles against subjection are struggles against “that which ties the individual to himself and submits him to others in this (i.e. a particular) way (struggles against subjection, against forms of subjectivity and submission)” [ibid]. The defining element of subjection is self-subjection. No subjection exists without the possibility of self-subjection. This is the reason why freedom is so important for the functioning of any subjectivisation regime. It is the element of self-subjection that differentiates subjection from other forms of domination.

We shall elaborate the above point a little more by contrasting subjection with different forms of dominations mentioned by Foucault. The struggle against subjection is different from a struggle against slavery because it is not (primarily) a struggle against the “appropriation of bodies” (DP: 137). Similarly, the struggle against subjection is not a struggle against servitude. Servitude is a “constant, total, massive, non analytical, unlimited relationship of domination established in the form of the individual will of the master, his ‘caprice.’” (DP: 137). Thus, the struggle against subjection is not a struggle against the individual master or class of masters since the struggle against subjection is against the effects of anonymous power (SP: 211 and 213).

Furthermore struggles against subjection are not struggles against vassalage. Foucault defines the relationship of “vassalage” as “a lightly coded, but distant relation of submission, which (bears) less on the operation of the body than on the products of labour and marks of allegiance” (DP: 137). Finally, struggles against subjection are to be differentiated from the subjections of the monastic type. The purpose of the monastic type of subjection “was to obtain renunciation rather than increase utility.” (DP: 137 cf. HS final chapter). The purpose of capitalist subjection on the other hand is precisely to increase utility.

Although, the above examples are not exhaustive in any sense they are sufficient to clarify what Foucault might mean when he differentiates between domination and subjection.

Similarly, we can see from these examples that subjection is a kind of domination. Subjection is by definition domination but not all types of domination are necessarily subjection. Foucault differentiates between domination and subjection to *specify* and emphasize the particular kind of domination that has been the hallmark of capitalism and to highlight its *uniqueness* among various historically existing forms of domination.

According to Foucault although all three types of struggles can be found coexisting in a society in a given era, normally one kind of struggle tends to dominate a

particular society. Thus, for example, though in feudal societies struggles against exploitation may be found they are not the characteristic struggles of the feudal era. Foucault concludes that the struggles characteristic of the feudal era were struggles against domination. Struggles against exploitation were characteristic struggles of the nineteenth century. “And now-a-days”, says Foucault, “struggle against the forms of subjection - against the submission of subjectivity - is becoming more and more important” (SP: 213). According to Foucault the characteristic struggles of late/advanced capitalism are struggles against subjection. However, Foucault adds, this is not the first time in Western history that struggles around subjectivity have become prominent, and the examples Foucault gives leave one wondering whether these kinds of struggles are tied to extraordinary times in the life of Western ‘civilization’ (SP: 213).

### **THE CAPITALIST SUBJECTIVIZATION REGIME**

‘Subjectivity’ is defined by Foucault as a form of “organization of self-consciousness” (PPC: 253) implying that there may be forms of organization of self-consciousness other than subjectivity. We define manageable subjectivity as a subjectivity, which has two characteristics; first, it has some degree of freedom/diversity and second this diversity is amenable to organization under a singularity. We cannot talk of a manageable subjectivity without the presence of these two elements. Management techniques are not operationalisable upon individuals who are not allowed freedom. One cannot talk of managing slaves in this sense.

In this context Foucault asserts that “power (read management!) is exercised over free subjects, and *only insofar as they are free*” (SP: 221, emphasis provided). Furthermore, this freedom/diversity should be such that it can be traced back to a singularity. Diversity that cannot be traced back to singularity leads to dangerous subjectivity - a subjectivity that is not manageable (PPC: 125-151).

Thus, for the production and reproduction of manageable subjectivity, one requires diversity but the limit of this diversity would be the ultimate ability to retract this diversity and lock it into a singularity. If diversity exceeds this limit, the subjectivity no longer remains manageable. It enters the threshold of a dangerous subjectivity. The apparent paradox of capitalism is that in order to increase utility and the productive capacity of individuals and populations it needs to expand the ambit of freedom and diversity but in order to make individuals and populations governable and manageable, it needs to constrain this diversity by setting limits so that subjectivity remains manageable. It is on the maintenance of this delicate balance between diversity and singularity that the sustenance and continuity of the whole capitalist system depends.

Capitalism resolves the dilemma through realizing the double role freedom can play. Freedom is central for the functioning of a capitalist system not only as the precondition for enhancing utility and diversity, but for its double role as the precondition of enhancing diversity and imposing singularity on multiplicity (SP: 221). Historically, ‘freedom’ has played this role of imposing singularity over multiplicity through the process of subjectivisation i.e. through the creation of a subjectivity/subject. The genius of capitalism and liberalism was to realize that freedom was not only the principle of anarchy it can also be a fundamentally important tool of management (see Rose, 1993, Rizvi, 2006).

Foucault’s claim is that in capitalism the governance of diversity is maintained through freedom itself and not (primarily) through repression. Capitalism’s interests are not fulfilled by curbing and limitations *per se*. Capitalism has evolved a system of government whose condition of operationalisation is freedom and immanence. Foucault defines “government’ as the structure[ing] of the possible field of action of others” (PPC: 221). Capitalist logic is based on a realization that freedom is the essential element of ‘government’ (management) in the sense that capitalism recognizes the ‘double’ character of freedom. To desire freedom is not only to expand the arena of choice (diversity) but it is also to make oneself governable (manageable). Hence the impossibility of governing/managing those who reject freedom (PPC: 221-222).

#### **ARE “ANTI CAPITALIST” MOVEMENTS STRUGGLING AGAINST CAPITALIST SUBJECTIVITY**

Foucault sees postmodern struggles as struggles against what he calls ‘government of individualisation’, against a certain sort of subjectivisation, namely the way individuals are made subjects in modern capitalist societies (SP: 212). They are struggles against a certain self-identification, against the notion of identity. Since the notion of identity is one of the tools used to impose singularity on diversity in the capitalist system, these are struggles that “assert the right to be different and they underlie everything which makes individuals truly individual” (SP: 211).

These are struggles which demand the legitimacy of and assert the right of, polymorphous experiences - infinite and numerous ways of being individual. To obstruct this is to obstruct the freedom and the right to be different. Essentially they are struggles against the notion that there is a true self and that we ought to conform to that true self. All these struggles revolve around the question: Who are we? They are a refusal of these abstractions, of economic and ideological state violence which ignores who we are individually, and also a refusal of a scientific or administrative inquisition which determines who one is” (SP : 212).

*Foucault had hopes of post-modern social movements (PPC and PK) but there was disappointment related to these movements that haunted him in the later phase of his*



*life. He saw the great danger facing these movements in their turning into what he pejoratively termed 'liberation movements' (see Kritzman: 1988: p 14). Liberation movements, according to Foucault, are movements that do not recognize the double character of freedom and the double role that freedom plays in sustaining capitalist subjectivity. These movements consider freedom simply as a 'way out', as an 'exit', without realizing the formidable management potential of freedom. Consequently they end up being incorporated into an existing subjectivisation regime without realizing their potential as movements aimed at producing a new subjectivity that can transcend the double bind of freedom (Badiou, 2001:106).*

*To think of power as purely a limit set on freedom leads to the notion that freedom consists in merely lifting this prohibition: a 'way out'. But these notions are dangerous in the context of the workings of capitalist power, which does not work by 'starving' desire but thrives on creating, inducing and multiplying desire. "This type of discourse", according to Foucault, is a dangerous and "a formidable tool of control and power. As always, it uses what people say, feel and hope for. It exploits their temptation to believe that to be happy, it is enough to cross the threshold of discourse and remove a few prohibitions. But in fact it ends up dispersing movements of revolt and liberation" (PPC, 114 cf. HS, 3-35).*

*The danger of these movements consists in the fact that they are movements of freedom and liberation. This is dangerous precisely because these movements seem to be working with the false premise that capitalism essentially consists in the repression of freedom or as more perceptive of these would claim, it does not produce 'real' freedoms. However both assumptions are wrong because:*

*a) It is not true that capitalism is essentially based on curtailment and repression. To think that capitalism is merely a negativity is to miss its innovative character and hence to underestimate its power over individuals and society. Foucault's rejection of the so called repressive hypothesis is in part derived from these considerations (HS: 3-37). Foucault posits capitalism as a positive force (PPC: 262-263). The movements that do not realize this end up either being easily incorporated into the capitalist game or they become irrelevant, feeding on empty rhetoric, which does not harm capitalism. They are easily incorporated because capitalism is able to lift most of the repressions and prohibitions that these movements decry in the long run (PPC: 113-114).*

*b) The second strategy is more dangerous than the first because it combines the shortcomings of the first with its own. The claim that capitalism does not grant real freedoms is factually wrong because capitalist freedoms are real freedoms (even if they are structured within the space of subjection to capital). To think otherwise would be to think of capitalism as a negativity and hence would be to underestimate/misunderstand it.*

*Second, to think that capitalism does not grant real freedoms is to commit oneself to the struggle for freedom, i.e. to the struggle for 'real' freedom, for more and more freedom. However this strategy plays capitalism's own game and is doomed to failure as it would either end up being incorporated into the game or would be rendered irrelevant and harmless.*

*This is so because capitalism rules through freedom, it rules through granting rights and freedoms and fulfilling people's desires. It rules in the name of freedom, in the name of the enhancement and preservation of life. In sum it rules in the name of promoting well being. It kills in the name of freedom (Iraq, Afghanistan) in the sense that in order to justify mass murders and wars it has to convince its subject that these are necessary to preserve life and freedom in the long run. The struggles waged in the name of freedom and life, are already playing on the turf of capitalism and are doomed to failure (HS: 137-138).*

*One of the main ingredients of the capitalist strategy of governing positively through enhancement and not through repression is the production of discourse about the truth of the individual, society and state. Capitalist strategy of governance consists in producing, reproducing and multiplying discourses and not curtailing and inhibiting or repressing discourses (see Rizvi, 2006). There are various functions of this constant multiplication of truth:*

*a) One of the main functions of capitalist governance is to normalize ideas i.e. to neutralize them, take the sting out of them etc. through placing them within its discourse and then constantly multiplying the discourse rather than repressing it. Repression is not a chosen strategy because it is not effective in the long run for capitalism.*

*b) In order to be normalized through discourse it is important that one speaks, expresses and produces a discourse. Capitalism cannot manage some one who refuses to speak, refuses to produce a discourse and refuses to 'come out.' Silence is what terrorizes capitalism and not discourse. The horror that haunts capitalism is the horror of the unknown, that which cannot be situated in and explained within its discourse. Capitalism is the only 'civilization' we know of that is compelled to produce and reproduce and multiply discourses about its real and imaginary enemies. It is important in order to normalize, 'explain away' and trivialize that the 'other' is brought in to discourse.*

*Thus, in a capitalist system one is instigated to speak. Foucault talks about the obligation to speak in this context. Foucault also emphasizes the importance of silence and speaks of the need to develop the culture and ethos of silence: "Silence...a specific form of experiencing relationships with others...I'm in favor of developing silence as a cultural ethos." (PPC: 4).*

*Foucault also speaks of “lightning-flashes” that “open a void, a moment of silence, a question without an answer, provoke a breach without reconciliation where the world is forced to question itself.” (MC: 287). It is interesting to note that Habermas on the contrary characterizes silence as a sign of fascism (see Milchman, 1994). In this context it is also worth remembering Heidegger’s silence and how it, to this day, scandalizes the bearers of Modern discourse (see Lang, 1996).*

*Foucault’s attitude towards the gay movement and it’s calls for his ‘coming out’ and confession and his ambivalent attitude towards gay discourse is based on the reasons we have been discussing here (Kritzman, 1988).*

*c) Multiplication of discourse is also a technique to trivialize issues. Things are talked about and discourse is produced about issues in such abundance and from so many angles and with such constant repetition that it in the end loses any gravity. Abu Ghraib is a good recent example of this. The multiple discourses that were produced in the aftermath of the event in the media, at the end, switched the focus from the issue and discourse becomes an endless exercise having very little connection with the reality of the event which fades away and is absorbed in the complexity of the discourses (Zizek 2004).*

*The “anti capitalist” movements, which consider capitalism as negativity, do not comprehend this game and end up being swallowed within the whirl of capitalist discourse.*

*Capitalism thrives on creating desires and multiplying them. Without the constant production and multiplication of new desires the capitalist system would dry up. It is important for the continuous production and reproduction of the system that each and every element of the system must keep ‘desiring’ more and more. The “anti capitalist” movements that turn into movements of safeguarding people’s (human) rights and base their struggles on the charters of demands really enhance the functioning of the capitalist system This is because they work on the false premises that capitalism suppresses desires. Foucault’s turn, in his later work, to the aesthetics of existence that would be based on voluntary asceticism and disciplining desires, was in part a response to this realization (Foucault, 1988a).*

*There are grounds for mobilizing the excluded and the disempowered (the *mustadafeen*) in movements of resistance but such movements – unlike “anti capitalist” movements – will have to reject not just capitalism but all struggles for freedom. They will have to de-legitimize freedom as the organizing principle of human life at the levels of individuality, society and state. They will articulate a new legitimating principle but what that principle would be is another story.*

## NOTES

1. The classical political economists were not blind to the possibility of systemic transcendence. That is why Locke laid such emphasis on the illegality of what he called ‘civil war’ against representative government (Locke 1963 p 74 – 80). Echoes of this apprehension reverberate throughout (Rawls 1971).
2. He differentiates between ‘Anglo American’, ‘Germany’ and ‘Japanese’ variants. Henry and Wilson (2002) recognize an ‘Islamic capitalism’ (p 4 – 6) and the maverick Trotskyists (followers of Tony Cliff) have long spoken of ‘Soviet capitalism’.
3. There is of course nothing natural about accepting acquisitiveness or competition (for self or society) as norms, capitalist social theory however regards the acceptance of these norms as ‘rational’ (Callinicos 1999 Chapter 7).
4. Currently the WTO is seeking to construct global technology markets by universalizing the US patent system.
5. That is a maximization of his discounted consumption over his life time for as Little (1960) and several other welfare theorists have shown consumption expenditure is the only available practical estimator of utility.
6. As long as fulfillment of that preference takes the (ultimate) form of consumption
7. Posner (1979) and the Chicago economists have shown that markets can be efficient even if there are only three firms within them.

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### **SPHERES OF CORPORATE POWER**

Corporate power is defined as the ability of a manager, company, or industry to change the business environment. Such power is exercised in all societies and across historical eras. There are six spheres of corporate power.

- Economic power is the ability of the holder to influence events, activities, and people by virtue of control over resources, particularly property. It is an ability to influence or determine price, quality, production, and distribution of goods, services, and resources.
- Social and cultural power is the ability to influence social activities, institutions such as the family, cultural values, customs, lifestyles, and habits.
- Power over the individual is directly exercised over employees, stockholders, consumers, and community members. In addition, business values affect the concept of individualism in society.
- Technological power is the ability to influence the direction, rate, characteristics, and consequences of technology as it develops.
- Environmental power is the impact of a company's actions on the biosphere, as in pollution, resource use, and physical community development.
- Political power is the ability to influence elections, public policies, and laws.

These areas of power obviously are related. For instance, use of political power can increase a corporation's economic power. Technological developments in corporations may influence social and cultural values. An example is James Duke's use of the Bonsack machine to swell cigarette output, which prompted development of mass advertising to sell cigarettes. A coherent view of corporate power must encompass all six areas.

**George A. Steiner and John F. Steiner  
Business, Government, and Society, p. 48**