Japanese Traditional Arts and New Form of Capitalism -- Identifying Ethics at the Base of Arts and Capitalism –

by

Katsuhito IWAI

Visiting Professor, International Christian University
Distinguished Research Fellow, Tokyo Foundation
Professor Emeritus, The University of Tokyo

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Where’s Socialism?

September 15th, 2008 – The Lehman Crisis
'A once-in-a-century crisis'

The 1930s Great Depression
Major debate re. Capitalism vs. Socialism
Many Socialists - even in Hollywood
(Later to become victims of McCarthyism)

BUT

This time round
Hardly ANY debate on Capitalism vs. Socialism!
This is the age of Post Socialism

\[\downarrow\]
Repression of Capitalism

\[-\text{ Except for all the others }-\]

Once Liberty has been tasted there is no turning back

\[\downarrow\]

“Capitalism is the worst economic system
- Except for all the others –”

\[\downarrow\]

Is Post-Capitalism impossible (?)

\[\uparrow\]

People around the world are pondering this issue:

“What should we do about Capitalism?”
Kabuki (Kumadori makeup)
Noh
Bunraku (Ningyō-Jōruri)
Traditional $\Leftrightarrow$ Modern

$\Leftrightarrow$

Stylization $\Leftrightarrow$ Realism

There are, however, more fundamental differences

Kabuki $\leftrightarrow$ KUMADORI (Exaggerated Makeup)

Noh Roles $\leftrightarrow$ Noh Masks

Bunraku $\leftrightarrow$ Puppets
In particular, Bunraku = Puppet + Puppeteers
Once again – “What should we do about Capitalism?”

Capitalism Past

Adam Smith’s “Invisible hand”

Private “evil” = Public “good”

In capitalist societies, as long as markets function smoothly the very pursuit of private profit is what yields common good.

“I have never known much good done by those who affected to trade for the common good ”

Adam Smith, “Wealth of Nations”
Good people make good societies
(ethical individuals necessary to make societies ethical)

Received wisdom
(trad. social thinking)

The “Invisible Hand” View

‘Ethics’ NOT necessary for good societies!
(Milton Friedman: key 20th century advocate)

He separated the maximization of Incomes in business from the use of the incomes for non-economic purposes as citizens

“Free to Choose!”
George Soros: Practitioner of Friedmanian Separation

though, ideologically anti-Friedmanian

○ Soros as Capitalist (= speculator)
  = relentless pursuit of private profit
  even at the expense of UK people: (1992, sold the
  pound & pushed UK to brink of bankruptcy)

↓

○ Soros as Good Citizen (= social philanthropist)
  = vast wealth earned via speculation supported
    East European oppositions, US Democrats, etc.

↑

What Can Counter Such Powerful Philosophy?
Michael Sandel

*What Money Can’t Buy: The Moral Limits of Markets*

- Encouraging failing elementary school pupils to read = $2/ book
- Human guinea pig for pharmaceutical companies = $7,500
- Right to shoot Black Rhino (protected species) = $1.5 million
- Viatical settlements (Buying out other people’s life insurance policies) = millions of dollars.

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(1) Unfair ➔ poor deprived of opportunities?
(2) Corruption ➔ will the transaction of moral & citizen good render this worthless?

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Communitarianism = restore Aristotelian Justice

Politics must be transformed, to enable the common good of the community to be given due thought in self-government, as in Ancient Greece
But – can Aristotelian common good transcend communities, and become Universal?

“Capitalism” is “Universal”
Money circulates, regardless of region or culture, Invested wherever there is profit, withdrawn whenever losses occur, Which drove, and still drives Globalization

To Counter the “Crises” stemming from Capitalism Demands Universal Principles that can be Globalized
One such attempt:

The Theory of Fiduciary Relationships
Fiduciary ⇔ Contract

Adam Smith’s world is a contractual society

Principle of contractual freedom (freedom not to enter contract if against one’s own interests)

Both Parties pursue “Self-interests” in Contractual Relationships
Both assume “Self-responsibility” for any Consequences, good or bad.

Presumes
Equal and Free Individuals
What does Fiduciary mean?

Ex: doctors and patients in ER

Patient Unconscious ↔ Doctor in ER

Contract Impossible

Doctors are Entrusted with Patient’s Lives

Patients Trust Doctors, placing their Lives in their Hands

“Trust” is What makes it Possible for Operations in ER

Fiduciary relationship
Many incapable of contracts
Minors, mental illness, senility
Beneficiaries of guardianship

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Cannot be Subjects in Contracts
Or Property Owners, legally or Practically

⇓

Persons who are Trusted to Look After their Needs, Finances, etc.

∥

Guardian (Trustee in the case of Trusts)

⇓

Fiduciary Relationships
Corporate Personality

Companies, foundations, local and central governments are Legal Persons

Legally, Subjects of contracts (Persons)
In Reality, Neither Mind nor Body (Things)

For legal persons to act as Persons, Real People who Manage, Control, Administer, and Legislate are Necessary

Board Members of Corporations, Foundations, Bureaucrats, Politicians

Fiduciary Relationship
Once again Doctors and Patients

Even when Patient is Conscious, “Absolute Asymmetry” between Doctor/Patient

⇒

the Doctor as Expert Knows Patient’s Medical Conditions Better Than Patient Does!

⇓

Even with Informed Consent Patients cannot be Equal with Doctor Must Entrust Own Life in Doctor

⇓

Fiduciary Relationships
In general

Relationship between Expert and Non-expert

Lawyer & Client
Teacher & Student
Fun Manager & Investor
Engineer & Ordinary citizen etc.

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Even with Contract

Absolute Gap in Knowledge & Capability in Specific Fields

Expert & Non-Expert Relations Naturally

Include Fiduciary Relationship
Many Asymmetrical Relations in Contemporary Society Cannot be Reduced to Contractual Relations!

Everybody is Non-Expert out of field of Expertise

Doctors must hire Lawyers for legal cases

CEOs become Patients when they are ill

Few Citizens know Engineering

Anybody with Age could be Senile

This Asymmetry ≠ Permanent Hierarchy

= “Universal Asymmetry”

Experts discharge their “Roles” as Experts in “Specific Tasks”

Why Won’t a Contract Do?
The Art of Bunraku = Puppet + Pupetteer ⇒ Prequisite
Kabuki actor vs. Role ⇐ *kumadori* etc
Noh Actor vs. Role ⇐ Masks and Costumes
Puppeteer vs. Role = Puppet (pieces of wood)

∫∫

Doctor vs. patient
Expert vs. non-expert
Guardian vs. ward
Managers, Bureaucrats etc. vs. Company, State etc. as Legal Persons

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The Entrusted Person vs. the Entruster
Why Won’t a Contract Do?

What if Puppeteer & Puppet had a Contract?

Contracts are based on Principle of Self-Interest and Self-Responsibility

A Puppet is a “Puppet”

If Puppeteer Pursues Self-Interest, Puppet Will be Victim of Exploitation

Guardians Abuse Wards, Doctors Conduct Human Experiments, Lawyers Over-litigate (in US), Fund Managers Misuse & Misappropriation of Funds, Overly High-Paid Managers/Trustees (this Financial Crisis!), etc.
The Essence of Japanese Arts (in fact the Essence of All Arts)

Actors’ Mission = “Self” Fades from Sight, Transformed into the “Roles” They Play.

⇓

Audience is Moved by the Acts of Actors Who have become “Transparent”

Bunraku is Ultimate Form of this Art

Why are Some Puppeteers all in Black?

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Puppeteer’s Mission = Suppress own Glory & make Puppet Act More Human than Real Human

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When this Happens, Audience is Moved to Tears by Spectacle of “Puppet” than by that of Real Actors in Modern Dramas
Puppeteer Relations with Puppet

An Ethical Relationship
(to Suppress One’s Own Interests, But Act Loyally to The Other’s Interests.)

The Same for Fiduciary Relationships

Patients Can Entrust Life to Doctors when
Doctors Put Patients’ Interests above Theirs & Use Their Knowledge & Skills Accordingly

Ethics Reappears!

Even in Today’s Highly Developed Capitalism
Relations Supported by “Ethics”, Not the Pursuit of Self-Interests, Become Prevalent!
From Contractual Society to Fiduciary Society

Again from *Wealth of Nations* Adam Smith

“It is the great multiplication of the productions of all the different arts, in consequence of the division of labour, which occasions...that universal opulence which extends itself to the lowest ranks of the people.”

“When the division of labour has been once thoroughly established, ...every man thus lives by exchanging, or becomes in some measure a merchant.”

Division of Labor ↔ Capitalism

= Commercialization = Contractual Society

Society in Pursuit of Self-Interest where Everything has a Price for Sale

Concerns Voiced by Michael Sandel
But we now see Capitalism in Dramatic Shift to Post-Industrial Capitalism!
Rise in Value of Knowledge & Information!

Division of Labor $\Rightarrow$ Division of Knowledge!

High level Knowledge Society $=$ High level Specialization Society

Everybody becomes “Expert” in Specific Fields

Contractual Society is at the same time Fiduciary Society!

Demand to be “Ethical” is Increasingly Important for Both Individuals and organizations
Essence of Japanese Culture

New Form of Capitalism

Relations between Actors & Roles

An Ethical Relations (Loyalty)

Not only the Arts-in Craftsmanship, Farming, Trading, Bureaucracy, and Governance too.

Seeking the “Essence of Japanese Culture”, Isn’t That about Reviving That Sense of “Ethics”? 

This Very Awareness is in Ardent Demand in Post-Industrial Capitalism Societies
However, I am an “Economist”!
Not So Naive to Consider
“Individual” & “Professional” Ethics
Sufficient to Sustain Fiduciary Relations

Many Misdeeds (as mentioned)

Need to Legalize “Fiduciary Duty”
So that Fiduciaries Will Act Loyally in
Accordance with Entrustor’s Best Interests

Fiduciary Law
(=Paradox that Makes Ethics Mandatory!)

Even so
Thinking back to Essence of Japanese
Culture Should Provide “Foundations”
for “New Form of Capitalism”
Ancient Greek Drama (6-3BCE)
Commedia dell'arte (16-18C)

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Kabuki, Noh and Bunraku ← Still Active Now
Why Does the Puppet Master Show His Face?