

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

by

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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



**Repression of Capitalism
= Repression of (Economic) Liberty
Once Liberty has been tasted
there is no turning back**



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



Is Post-Capitalism impossible (?)



People around the world are pondering this issue

:

“What should we do about Capitalism? ”



Kabuki (*Kumadori* makeup)



Noh



Bunraku (Ningyō-Jōruri)



Modern Drama

Traditional ⇔ Modern



Stylization ⇔ Realism

There are, however,
more fundamental differences



Kabuki

⇐ *KUMADORI*

(Exaggerated Makeup)



Noh Roles

⇐ Noh Masks



Bunraku

⇐ Puppets



In particular, Bunraku = Puppet + Puppeteers

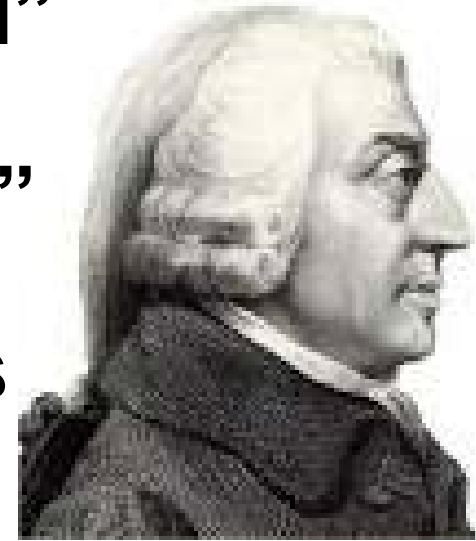
Once again – “What should we do about Capitalism?”

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.



(1) Unfair → poor deprived of opportunities?

(2) Corruption → will the transaction of moral & citizen good render this worthless?



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

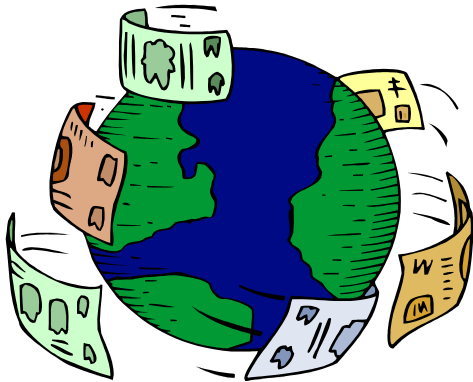
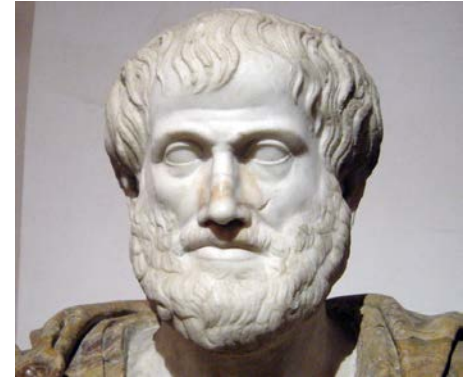


But – can Aristotelian common good transcend communities, and become Universal?



“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



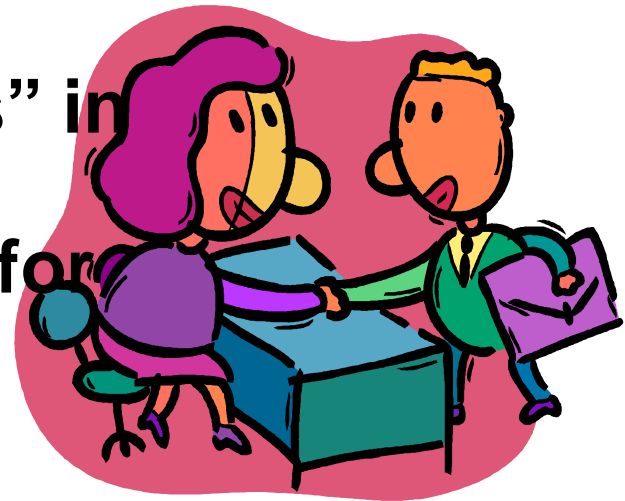
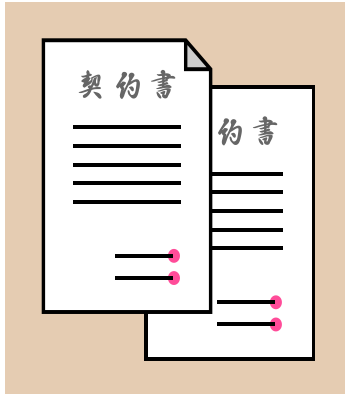
**Principle of contractual freedom
(freedom not to enter contract if
against one's own interests)**



**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



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)

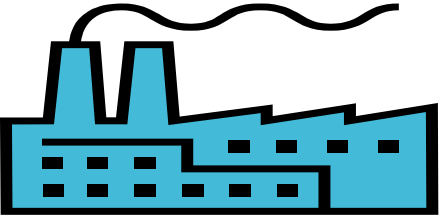


Fiduciary Relationships

Corporate Personality

Companies, foundations, local and central governments are

Legal Persons



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



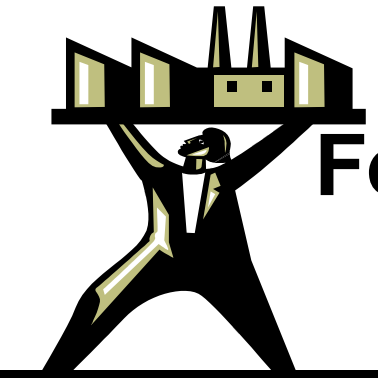
**For legal persons to act as Persons,
Real People who Manage, Control,
Administer, and Legislate are Necessary**



**Board Members of Corporations,
Foundations, Bureaucrats, Politicians**

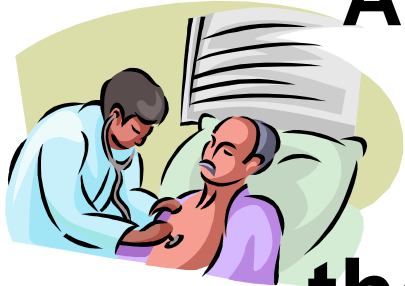


Fiduciary Relationship



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.

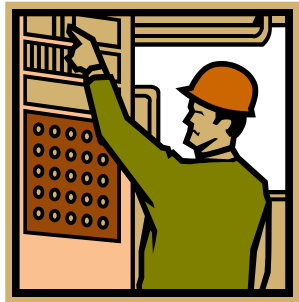


Even with Contract

**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



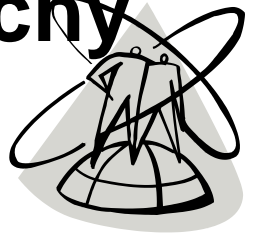
This Asymmetry \neq Permanent Hierarchy
= "Universal Asymmetry"



Experts discharge their "Roles" as Experts
in "Specific Tasks"



Why Won't a Contract Do?







**The Art of Bunraku = Puppet + Puppeteer
⇒ Prerequisite**

Kabuki actor vs. Role \Leftarrow *kumadori* etc

Noh Actor vs. Role \Leftarrow 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

∥

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?



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



**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.”

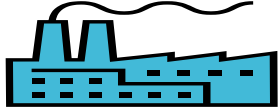
Division of Labor ↔ Capitalism
= Commercialization = Contractual Society



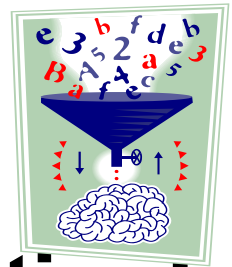
Society in Pursuit of Self-Interest
where Everything has a Price for Sale



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 → Division of Knowledge!



**High level Knowledge Society
= High level Specialization Society**

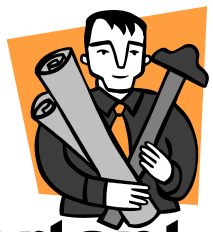


Everybody becomes “Expert” in Specific Fields



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 Loyal-ly 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)



Kabuki, Noh and Bunraku ← Still Active Now



Why Does the Puppet Master Show His Face?