

Phenomenology of authority. The formation of the Other as a political aporia

(Speech given at The Fifth Euroacademia International Conference held in Rome in December 2016)

The objective of this talk is to formulate a broad definition of “authority”. By means of this definition I will criticize some of today’s political attitude in regard to European economy.

I understand authority as any structure of forces whose power is actively recognized or accepted as legitimate. This is due to the fact that accepting such a power is seen as coincident with the preferable way to fulfill perceived needs and desires or, in other words, to fulfill a perceived naturalness. This preferable attempt of fulfillment is mostly accompanied by a compromise between the naturalness of different individuals, which can be read as a compromise between different bargaining powers. This can also occur in the sense of accepting the lesser evil by subordinating oneself to a stronger individual and authority.

The most obvious example of authority is political legitimacy obtained thanks to empathy toward certain necessities and desires perceived by a community. Another example is the power given by the possession of economic instruments which can offer a larger spectrum of modalities and situations for obtaining wealth with respect to other instruments. This is the field of, for instance, the power to obtain a surplus-value from her workers’ labor by an entrepreneur.

In both cases we find the act of a will which is compelled to accept the functioning of a certain power in order to realize as much as possible its naturalness. Such a realization occurs in the face of the action of other forces which tend to interfere with this naturalness, forces which can coincide with the surrounding environment in general, as in the example of political legitimacy, or with the possible acts of the same authority whose power said will ends up recognizing, as in the example of the entrepreneur.

What stands out from this picture is that the condition of existence of an authority is the awareness of a certain interest in acknowledging a power within a certain context of more or less adverse forces. In other words, we cannot understand the authority without understanding the formation of the self, of an identity which is the consciousness of certain needs and desires in a certain environment. The opposite is also true: we cannot understand the self by separating it from the formation of an authority, that is to say from the recognition of a certain power coinciding with what is desirable and achievable within a context. An individual, for instance, shapes her convictions and aspirations by supporting or reacting to existing political ideologies, or by imagining what her economic instruments can offer her in a bargain with other individuals.

Given this double bind between the formation of an awareness and the constitution of an authority, I want to recall now what the philosopher Derrida puts as a condition of possibility of the rise of any truth and rationality. This can lead us to cancel any structural difference between a will explicitly coerced by a violent authority and a will compelled by its own desires, such as the one which support a political authority.

In fact, if we call “violence” the act of reducing to silence a potentially legitimate rational position, it cannot be simply identified with the domination of a “violent” person, to which the economic exploitation of human beings by a monopoly can be, for instance, associated.

The Derridean philosophy of *dissemination*, in fact, reminds us of the completely contingent and random character of any form of rationality, due to the absence of univocal guidelines and regularities in the structure of experience and to the relentless de-contextualization of values, which is hardly perceived by self-consciousness. This discloses a scenario in which any authority is in danger of reflecting the requests of an arbitrary rationality¹. This is because the contingency and arbitrariness of the configuration of rationality, thanks to which an authority, or a will, perceives the desires to fulfill, ensure that the very fulfillment of these latter coincides with an equivalent arbitrariness in comparison with what is an optimization of a consciousness's satisfaction. Take, for instance, what we are currently experiencing in Southern Europe. The currently accepted form of rationality among political exponents and technicians has persuaded them that in the past we Italians have borrowed too much and lived beyond our means and we need, therefore, to keep our borrowing under control and to cut our public services in order not to make creditors worry.² In this story no form of violence by an external authority is recognized or perceived. The dynamic narrated is just that of a sequence of decisions driven by different autonomous desires. According to this narrative, we have followed certain authorities because our will was compelled by our perception of necessities and desires and we need now to follow certain other authorities for the same reasons.

Such a model of rationality – and, therefore, of self-awareness and of authority - nevertheless, perfectly reflects the dissemination and de-contextualization which make its sense pragmatically inadequate. The narrative of “living beyond one's means” can be suitable, for example, within a household scenario. It is quite damaging if it works within a context in which other factors have previously taken place such as, in this particular case, an acute weakening of national industry due to a too strong exchange rate and to salary dumping policies by other nations.³ The presence of other factors which holistically transform the entire pragmatic sense of a situation makes the quoted model of rationality an abstraction and, in fact, arbitrary. To say that a similar rationality is “arbitrary” means, indeed, that the legitimacy of its usage may not be undermined by its inadequacy and by its possibility of being out-of-place in terms of practical convenience. It means that the possibility of violence, the possibility of reducing to silence potentially more legitimate rational positions are structural in its existence.

¹ See, for instance, Derrida, J. 1977. *Limited Inc*, Northwestern University Press and Derrida, J. 1973. *Speech and phenomena and other essays on Husserl theory of signs*, Evanston: Northwestern University Press.

² On the denunciation of this form of rationality see, for instance, Bagnai A. 2013a «Unhappy families are all alike: Minskyan cycles, Kaldorian growth, and the Eurozone peripheral crises», chap. 6 in O. Dejuan, E. Febrero, J. Uxó (eds.), *Post-Keynesian views of the crisis and its remedies*, London, New York: Routledge; Brancaccio, Emiliano e Passarella, Marco. *L'austerità è di destra. E sta distruggendo l'Europa*, Il Saggiatore, Milano 2012; as example of this rationality see ECB, *A Fiscal Compact for a Stronger and Economic and Monetary Union*, Monthly Bulletin, May 2012; 12 -02 -2014, available at http://www.ecb.europa.eu/pub/pdf/other/art1_mb201205en_pp79-94en.pdf.

³ See, for instance, Jaumotte F., Morsy H. 2012. «Determinants of Inflation in the Euro Area: The Role of Labor and Product Market Institutions». *IMF Working Paper*. Available at https://www.google.it/url?sa=t&rct=j&q=&esrc=s&frm=1&source=web&cd=1&cad=rja&uact=8&ved=0CCUQFjAA&url=https%3A%2F%2Fwww.imf.org%2Fexternal%2Fpubs%2Fft%2Fwp%2F2012%2Fwp1237.pdf&ei=Gml_VK2OJ4qP7Aa-2oHwDQ&usg=AFQjCNHUFStTEcOdXOnKqo0QcUqLkQClg&sig2=KfiCI_EMfjmuF0OTxrPkw&bvm=bv.80642063,d.ZGU; Bagnai A. 2012. *Il Tramonto dell'Euro*. Reggio Emilia: Imprimatur.

To summarize, I have concluded so far that the recognition of an authority, the formation of a model of rationality and the rise of a certain awareness converge in the process of recognition of what is preferable within a context. I have concluded, then, that such an authority stems from a reaction to perceived necessities and desires which are structurally random in comparison with what would represent a maximization of the well-being of a consciousness.

I want now to highlight a wrong way to go beyond this aporia, which is typical of certain progressive milieus. A certain political attitude to face European asymmetries can be drawn from Derrida ethical philosophy.

Derrida's motivation for his commitment is that any contingent rule shaped by the singular request of the Other's would be an unconditioned act of justice, unconditioned because it would not have as *condition* of its performance the guidelines of a commonly accepted arbitrary model of rationality. Its only basis would be the sense of responsibility towards the demand of a singularity.⁴ This act, in other words, would not need to be justified by an external ethics. Of course, according to the French philosopher, we need to be conscious of contextual social values in order to do justice to the Other. But they would come after a calculation which takes into account the fact that the question whether to apply them or not is undecidable, as he says in the essay *Force of Law*.⁵ It is undecidable because these values are born from and pass through a de-contextualization which makes them random in comparison with our potentially best choice. Only going through this undecidable moment and by finally breaking it, Derrida claims, we can tend to a non-conditioned justice to the other's contingent "naturalness".

Now, it is the very existence of this "tension to the unconditioned" which I contest with the question I proposed earlier. The reason is that, first of all, the singularity of the other privileged by Derrida cannot help but represent still another authority – even if an "authority of itself", as we can say in empirical terms, but still an authority which exists because it has fulfilled random needs and desires. To say that the alliance with the Other should be devoid of any justification which recalls an external ethics means that, in the moment of its rupture from such an ethics, the awareness in which the will of the other consists had to recognize an inconsistency between the desires which the context of rationality where she lives accidentally produced and the desires which this same rationality proposes to fulfill. But it does not mean that the new perceived desires aim at an achievement which is less arbitrary than the previous one, for the very reason that their perception has been produced by the previous, arbitrary discourse.

For instance, going back to the previous example, a political personality can decide to react to the impoverishment of middle classes in a different way to the accepted one. She can decide that in Southern Europe we do not have to cut our public services and expenditures in order not to make creditors worry, we can simply operate a huge redistribution of wealth from the top 5% of society to the bottom classes and to the State, so to pay a minimum wage and to improve public services without borrowing more. This would respond to the desire of the people and would do justice to their demands of well-being, creating a new logic which would not correspond to the one which is

⁴ Derrida, J. 1995. *The Gift of Death*, London: University of Chicago Press; Derrida, J. 1992. *Given time: I. Counterfeit money*, Chicago: University of Chicago Press

⁵ Derrida, J. 1990 «Force of Law: The 'Mystical Foundation of Authority'» in *Cardozo Law Review* 11 (1990): 919

contextually accepted. This move would be ultimately consistent with Derrida's responsibility. Unfortunately, this mere desire of redistribution of wealth would be produced by the same context of rationality which claims that the problem of these countries has simply been too much borrowing and wasting of resources. An arbitrary rationality in comparison with the best pragmatic route to follow because it ignores other operating factors, such as foreign salary dumping and too strong an exchange rate. Such an ignorance and arbitrariness is transmitted to the new model of rationality which should coincide with doing justice to the Other.

All this demonstrates that the structure of alienation of the will in comparison with potential maximization of well-being functions indifferently of any alleged secrecy of the responsibility toward the other, and also indifferently of a higher frequency in the change of the authority to be relied upon, as the awareness of contingency would suggest to be done.

I think that in order to go beyond the political aporia I have illustrated in this speech, a discussion should be set up to argue about the pragmatic structure of reciprocal bargaining power in which human relationships, above all economic ones, consist and which is suggested by the process of authority formation itself.

Reciprocal bargaining power can be interpreted as the basic structure of intersubjective agreements founded on what can be defined as an impulse toward reciprocal attraction - explained by the recognition of reciprocal utility. Any human agreement, included the ones arising from honest feelings such as love and protection, in effect, can be interpreted as a recognition of reciprocal instrumental utility – considered in its broad sense – and a consequent attempt to obtain what is desired while giving in exchange something which is desired by the partner in order to build up the relationship. In order to maximize reciprocal attraction and utility – and in order not to favor situations of exploitation and unbalanced bargaining power – we should maximize and equalize each individual's instruments which are useful in doing that. So for instance, in the economic field, we should provide each individual with the possibility of owning optimized skills and means of production and adequate supply of credit to get in contact with interests and desires flourishing in her context. That is to say, a supply of credit which is granted by means of a logic coinciding with "an investment which a community makes in order to maximize and equalize all individuals' instrumental potentiality and reciprocal utility". A logic which cannot be fulfilled, for instance, by private lenders' risk aversion, by the current financial system's allocation of credit which uses speculative and self-referential mechanisms to assess the expectations on a product, or by the quantitative and not contextual criteria used by most banks to evaluate the suitability of a loan.⁶

⁶ See, for instance, Bolton, Patrick, Freixas, Xavier., Gambacorta, Leonardo. and Mistrulli, Paolo. E. 2013. «Relationship and Transaction Lending in a Crisis». BIS Working Papers (147). Available at www.bis.org; Stiglitz, J. E., and Greenwald, B. C. 2012. «Industrial Policies, the creation of a learning society, and economic development». Paper presented to the International Economic Association/World Bank Industrial Policy Roundtable in Washington, DC, May 22-23, 2012; Stiglitz, Joseph. E., and Weiss, Andrew. 1981. «Credit Rationing in Markets with Imperfect Information». *The American Economic Review*, Volume 71, Issue 3, Pp. 393-410.; Tymoigne E. and Wray R. L. 2008. «Macroeconomics Meets Hyman P. Minsky: The Financial Theory of Investment». The Levy Economics Institute, Working Paper No. 543; Bagnai, Alberto. 2012. «Crisi Finanziaria e Governo dell'Economia». In *Costituzionalismo.it* (Fascicolo 3/2011). Available at <http://www.costituzionalismo.it/fascicoli/27/>; Scott-Quinn, B. 2012. *Commercial and Investment Banking and the International Credit and Capital Markets: A Guide to the Global Finance Industry and its Governance*. Chippenham and Eastbourne: Palgrave Macmillan.

Also, according to this logic, we should provide each community with the possibility of controlling its currency exchange rate, that is to decide the level of accessibility of its products according to whether it needs or not to stimulate the possibility of acquiring these latter rather than other ones, so to incentivize the confidence in an enlargement of its people activity.⁷

The reciprocal “attraction” outlined above, in fact, because of the structural temporal discrepancies between the development of different desires and capacities to mutually fulfill them, has to incorporate reciprocal confidence and good social expectation. The stress on confidence in future reciprocal utility is a corollary of what can be defined as the “principles” of an exchange economy, in which “any individual, in order to maximize the fulfillment of her desires needs to maximize the utility which her product has for the other members of the circuit, so as to bargain the maximum in exchange”. As a corollary, the more an agent perceives an “attraction” toward the other, the more she desires to be recognized and satisfied by the action of the other. In economic terms: the more a producer feels the expectation of a future convenient deal in trading with the other, the more she commits herself in recognizing the other’s desires in order to realize an attractive product and be satisfied in exchange.

If we analyze human activities in terms of recognition of reciprocal bargaining power we can focus on factors such as reciprocal utility, reciprocal confidence, instrumental maximization, expectations and we can examine the best ways to improve these elements in order to achieve a higher “justice” to the Other’s potential desires.

I can conclude by stating what I think is the difference between Derrida’s approach and this one. While the former is more likely to limit an evaluation to what stands out in a certain moment as the solution to a problem perceived by a certain authority, to take into account the factors I exposed may help to investigate whether there may be an even “better” overall allocation of instruments and potentialities – and to analyze in depth the pragmatic structure according to which it would function within intersubjective life. Such an investigation would not forget the essential contingency in the formation of human desires, but it would focus on the telos of maximized production and allocation of instruments to achieve the highest possible recognition and reciprocal fulfillment of desires. The concept of authority can be read, therefore, as a useful device in order to make clear the always present danger of relying on arbitrary values. The structure of reciprocal bargaining power among individuals, implicit in any formation of authorities, suggests the path to follow in order to maximize each individual’s identity, at least in fields where the effects of the available instruments can be sufficiently calculated, such as economics.

⁷ On this mechanism see, for instance, Thirlwall A.P. 2013. Kaldor’s 1970. «Regional Growth Model Revisited». University of Kent, School of Economics Discussion Papers 1311; Thirlwall, A.P. 1991 «Emu is no cure for problems with the balance of payments», *Financial Times*, 9 Ottobre 1991; Setterfield M. 2010. «Endogenous Growth: A Kaldorian Approach». In Harcourt G.C. and Kriesler P. (eds.) *Handbook of Post Keynesian Economics*, Vol. 1. P. 231-56. Oxford, Oxford University Press.