

88. Wabi-Sabi

published 14-4-2013

In this blog I have pleaded for *imperfection on the move* (see item 19): for a positive appreciation, not just acceptance, of imperfection, the impossibility, even undesirability of absolutes, and acceptance of change, and of the provisional nature of ideas, knowledge and morality. In change, imperfection can become less imperfect without ever becoming perfect. In that change lies the journey of life. And as Nietzsche indicated, pain, misery, grief, and anguish are part of that life and should be faced rather than hidden in the distraction of false beliefs and hopes. Is there some ultimate goal of that journey, beyond life? Who knows? Probably not. But cannot life yet flourish, and isn't that enough?

How does this relate to art? Does art aim to achieve perfection, or can it rejoice also in imperfection on the move? There is a Japanese tradition in art that does just that. It is called *wabi-sabi*, which means the beauty of imperfection, impermanence and incompleteness. It stands in contrast to modernism, in a way that perhaps resembles my opposition to Platonic and Enlightenment ideals of context-independent, immutable universals.

In his booklet on wabi-sabi Leonard Koren (1994) lists the following differences between modernism and wabi-sabi:

modernism

the box as metaphor (rectilinear, precise, contained)
manmade materials
ostensibly slick
needs to be well-maintained
purity makes its expression richer

solicits the reduction of sensory information
is intolerant of ambiguity and contradiction

cool
generally light and bright
function and utility are primary values
perfect materiality is an ideal
everlasting

wabi-sabi

the bowl as metaphor (free shape, open at top)
natural materials
ostensibly crude
accommodates to degradation and attrition
corrosion and contamination make its expression richer

solicits the expansion of sensory information
is comfortable with ambiguity and contradiction

warm
generally dark and dim
function and utility are not so important
perfect immateriality is an ideal
to every thing there is a season

I would not want to subscribe to all these features of wabi-sabi, to the point of rejecting modernism. I still rejoice to see modernist Bauhaus architecture, for example, though I

might not want to live in it, but I equally rejoice in seeing an gnarled old wooden door about to fall from its rusty hinges, though if I lived there I might want to replace it.

Are we here facing Nietzsche's opposition between Apollo and Dionysus again, in a different form? Before (in item 81), I argued for a dynamic unity of the two, an echo of dialectics in philosophy, where there is temporary balance, reduction and purity, that is next carried into novel settings that break harmony, in a falling apart of an established order that meets its limits. I would like to see wabi-sabi decay as a movement towards new life, in new forms that aspire to a perfection that is never achieved.

I am reminded of the late self-portraits of Rembrandt: the decay of old age, lines becoming diffuse in rough, thick strokes of paint, the ruby blotch of a thickening nose, astonishingly expressionist for his time.

128. Eastern and Western philosophy published 12-1-2014

Here I start a series on Eastern and Western philosophy.

There is still a widespread inclination to think that there is an unbridgeable chasm between Eastern and Western philosophy. And a Western bias still is that the East can learn from the West, rather than vice versa, and indeed is doing so, as is exhibited in the spread of technology, capitalism and democracy.

As a side comment, let me add that one can speak of such spread only when allowing for a variety of capitalisms and 'democracies'. A number of self-proclaimed democracies are in fact vehicles for authoritarian rule (Russia, Turkey, Singapore, Malasia). However, Western smugness concerning the greater purity and merit of democracy in the West is partly the result of blindness to its own limitations. Capitalist market ideology is corrupting culture and institutions and removes control over the forces of globalized markets from the populace. The European Union is shaping a huge democratic deficit.

Prior to the Enlightenment, Western philosophy was indeed different from Eastern philosophy on a number of fundamental points. However, particularly in the 18th century there was a large and widespread effect from Eastern on Western philosophy and culture. In philosophy there were effects on the thought of Malebranche, Leibnitz, Voltaire, Hume, Herder, Hegel, Schelling, Schopenhauer, Nietzsche, Jung and Heidegger. In some cases the effect was superficial (as in the Romantic philosophy following Herder, and in Nietzsche) or Eastern philosophy was used only to highlight or support one's own ideas (Voltaire, Hegel, and again Nietzsche). In some cases, however, the effect was fundamental (Leibnitz, Hume, Schopenhauer, Jung).

On a number of points my philosophy, as expounded in this blog, is more congenial with Eastern than with Western philosophy and on those points some of the Western philosophers that have inspired me are among those who were influenced by the East (e.g. David Hume and Heidegger).

Perhaps the most important and fundamental point concerns the pervasive role of change and variety, in denial of traditional notions from Western philosophy such as *substance*, absolute (unchanging) *universals*, *God*, and a unitary, stable *self* (individual identity).

Related to this, with much Eastern philosophy, and with Heidegger and American pragmatist philosophy, I share the idea of a unity between thinking and action: ideas develop as they are put in action.

In combination, this has brought me to *pragmatism*, the *volatile self*, the role of *the other*, and the notion of *imperfection on the move*. The underlying intuitions and ideas have developed in my career as an innovation scholar. They also loom large in Eastern philosophy.

With notable exceptions (e.g. Heraclitus), in early Western philosophy a static view of reality was taken, with *substance* as the carrier of properties and the basis for identity of the self. In a Platonic tradition, concepts were seen to entail *universals*, applying always and for ever.

Buddhism, by contrast, recognized no substance and saw reality not in terms of things but in terms of processes and impermanence. Buddhism is not concerned with a flight into the safety and stability of a metaphysical being, but faces the fragility and perishability of the human being, and of being in one's body. It did not believe in a transcendent being as creator of the world. An advantage of that is that the problem of evil, the justice of God, in creating evil or allowing it to exist, disappears. Buddhism is not concerned with explaining sorrow but in overcoming it. Life is imperfection on the move. In Buddhist *Nirwana* there is peace, absorption in a state of non-becoming. However, it is not some place or heaven beyond life, but is to be achieved in this life. As such its transcendence is *immanent*, as I have also argued for.

Hindu (Vedic) philosophy did entertain notions of an ultimate, transcendent, encompassing, indifferent identity or being, but it was hardly a God in any usual Western sense, and it was held to be ineffable, not accessible to human categories of thought and language. As such it was more akin to mystical Western traditions.

I will develop these and other themes in the following items of this series.

The main sources that I use in this series are the following

- Cheng, Chung-Ying & Nicholas Brunnin (eds), 2002, *Contemporary Chinese philosophy*, Oxford: Blackwell
- Coplestone, Frederick F., *A history of philosophy*,
- Elders, Fons (ed.), 2000, *Humanism and Buddhism* (in Dutch), Brussels: VUB press.

- Mcfie, Alexander Lyon (ed.), 2003, *Eastern influences on Western philosophy*, Edinburgh: Edinburgh University Press.
- Muller. John M. (ed.), 1963, *Oriental philosophies*, London: Macmillan.

129. What to make of East and West? published 19-1-2014

Where to stand, in the comparison of Western and Eastern philosophy outlined in the preceding item?

First, as in Buddhism, I do not acknowledge any metaphysical absolute substance or being, beyond reality, in the form of a God or in any other form, since if it exists, then almost by definition we could not say anything about it (see item 14 of this blog). In other words, I am an agnostic. I might accept Spinoza's view of a God that is identical to the system of nature, which may be close to the view of Taoism. However, that would not be God in any customary sense, as a personal and providential God with designs for the world and for Man, and I think it makes for more clarity not to call the system of nature God.

Second, the notion of substance leads to the notion of absolute universals that I have argued against (items 16 and 17), as Buddhism does. In both knowledge and ethics, I argued for universals that are provisional and temporary, allowing for individuals that escape from the universal and contribute to its shift or transformation. This connects with my *cycle of discovery* (item 13). I was astonished to find out that this seems similar to a certain interpretation of *Yin and Yang* in Taoist philosophy. I will return to this in a later item.

Related to this, with much Eastern philosophy, and Western pragmatism and Heidegger, I share the idea of the unity of thinking and being in the world: ideas develop as they are put in action.

Third, following Hume, and in agreement with much Eastern philosophy, I take a non-substantial view of the self. However, against Hume and Buddhism, I argue in my blog (item 8) that while indeed the self is neither unitary nor fixed, there still is a meaningful identity and continuity of the self, in a bodily coherence of neural activity. Without any identity for the self, how could we still talk of agency, intentions, learning, discovery, etc.? I will return to that issue also, in a later item.

Fourth, I agree with Eastern philosophy, and with Montaigne, Wittgenstein and Heidegger, that language is misleading. In my blog, in the items on language and meaning, I discussed what I called the 'object bias' in our thought and language (item 29). That corresponds with the misleading lure of the notion of substance. We conceptualise abstract things (peace, happiness, meaning, power, identity, ...) in terms of objects in time and space. I will not return to that issue.

Fifth, as I discussed in item 122, in both Western and Eastern philosophy there is a tendency to reserve enlightenment for an elite of the initiated, the illuminated, the trained, the ascetic, in gaining access to a transcendent, elevated, absolute, supreme being (God, Brahman) or to an enlightened existence in the world (Nirvana). If we renounce absolutes and embrace *imperfection on the move*, we can achieve freedom from self-obsession in ordinary life, in horizontal, immanent transcendence.

Sixth, inspired by Aristotle, and in line with Taoist thought, I seek a middle between extremes of: internal and external, self and other, subject and object, universal and individual, stability and change, exit and voice, trust and control. I seek to do this by analysing the dynamic interplay between the two.

However, I cannot make sense of Taoist rejection of causality in favour of *parallel occurrence* (what Jung called *synchronicity*). I hold on to causality, albeit in its form of Aristotelian multiple causality (see item 96).

130. Confucius

published 27-1-2014

As described by Karen Armstrong in *The great transformation*, philosophy in India and China was very early, in the 9th to 6th century BC, to turn inside the self in ethical reflection, renouncing violence, war, and excessive material acquisition. In India in one stream this turn took the form of lifting the self (*atman*) above or outside itself, to be absorbed into the higher all or one (*brahman*), or in *kenosis*, an emptying of the self to become receptive to a higher will or force. In another stream the aim was not to surrender personal identity but to find the true, higher self.

In the 5th century BC some sages and their followers became oriented towards extremes of compassion and altruism, extended not just to humans but also to animals and even plants, so that life was barely livable, for not stepping on an insect or a fresh blade of grass. They invented the *Golden Rule* of not doing unto others what one would not want to be done unto oneself.

In Chinese philosophy Confucius raised altruism and orientation to the other human being as a central tenet, and adopted the golden rule. Prior to Confucius (born 551 BC) there were 200 years of strife and war. Confucius strove for peace, justice and tolerance. Confucianism is humanistic, in seeking goodness and happiness not in nature nor beyond nature but in humanity itself. It also was pragmatist, in a unity of thought and action.

Confucian ideals were brought more ‘down to earth’, made more concrete and practical, more utility-based and oriented at welfare, in *Mohism*, with external sanctions and incentives added to the intrinsic values of Confucianism.

What attracts me in Confucianism is its orientation towards the other, and the idea that thought and action interact, which is akin to the pragmatism that I employ. That stands in

contrast to the more self-oriented and passive stance of Buddhism, and to the reach towards a higher order in nature, beyond humanity and society, in Taoism.

What I dislike in Confucianism is its excessive subservience to authority and its obsessive formal adherence to details of ritual and ceremony. From Karen Armstrong I learn that ceremony has the crucial value of creating a communal ethical sense in the public celebration of spirituality. She compared it to the public feasts and performances of tragedy among the ancient Greeks, for sharing *catharsis*, purification of the soul. I can see the value of that but remain suspicious of rigid ritual.

A central value in Confucianism is *filial piety*. To this I object, claiming that the upheavals and rebellion of puberty have value in the preparation of children to break away and assume their own life and convictions. Education should in my view not be the mere transfer and indoctrination of established thought and morality. Literally¹ 'education' means 'leading outside'. While in religious circles that is interpreted as a leading out of darkness into the light of faith, I prefer to interpret it as helping the young to break out and think their own ideas.

If we see Nietzsche as dynamics without altruism, we might see Confucius as altruism without dynamism, while what I advocate is dynamism with altruism. In Confucianism the proper attitude to life is to remain calm in joy and sorrow. There appears to be a lack of Dionysus.

But perhaps while preserving the pragmatic interaction between thought and action, and the orientation towards the other, confucianism can be developed into a more dynamic view. Some of that occurred in later Chinese thought, as I will discuss in the following item.

131. Neo-Confucianism

published 3-2-2014

In the Han dynasty, from about 200 BC, Confucianism was adopted as the national philosophy of China, which yielded a strong bureaucratic system. However, in time Confucianism became ossified, and rival views from Taoism and (from around 800 AD) Buddhism gathered influence. In contrast with the moral and regulatory force of Confucianism, Taoism was against extensive institutional regulation and preferred room for natural impulse. While Confucianism focused on practical things, Taoism better satisfied the urge for an underlying metaphysics.

Confucianism was oriented towards order, rules, ritual, social responsibility, and filial piety. That is in danger of stifling innovation and yielding formalism and stagnation, blocking the creativity of deviance. Or is this view of mine the typical Western bias towards individualism? In this blog I have argued the importance of collaboration and

¹ As noted by Joseph Nalin Swaris.

trust and the empathy needed for it. I am seeking a middle path between self and other, and between stability and change.

From the 11th century AD *neo-Confucianism* tried to develop a new synthesis, with a re-absorption of Confucianism. This was inspired, in part, by the fear that Taoist metaphysical speculation would go overboard at the expense of practical things, and ‘the negative attitude of the Buddhists toward life in the world and their preference for retreating from active social life ... would undermine the ancient forms of Chinese social organization’ (quoted from John M. Koller’s survey of *Oriental philosophies*, 2nd edition p. 306).

There is a need to reconcile opposites of stability and change, order and disorder, self and other, good and evil, and that is what Taoism, in particular, aims to establish.

However, one source of tension is that while Buddhism and Confucianism are non-religious and non-metaphysical, Taoism proposes Tao as a metaphysical entity, the source of both being and non-being, a fundamental principle and source, without characteristics, which cannot be named, and which functions through the world and is indistinguishable from it. This resembles Spinoza’s notion of God.

A source of tension between Confucianism and Taoism is that in contrast with Confucianism Taoism is non-interventionist. From its metaphysical view of the harmony and perfection of nature it wants to let things work out for their perfection naturally, left to themselves. This led to a split in neo-Confucianism between interventionists and non-interventionists that reminds us of the split, in the West, between socialists and libertarians.

A similarity between Taoism and Buddhism is that the sage transcends the world of ordinary experience and cognition. In relinquishing the mind of its own the sage is at peace and one with the world. This reinforces non-interventionism.

In view of these complementarities and tensions, it is not surprising that neo-Confucianism has a variety of forms.

However, a deep commonality of Confucianism, Buddhism and Taoism seems to be a sense of underlying unity, of the spiritual and the material, of substance and change, of thought and action, of knowledge and morality, of self and other.

I wonder how robust that is under incorporation of Western philosophy, as occurred later, in *new Confucianism*.

Where do I stand in all this? I am trying to reconcile the oppositions between subject and object, self and other, order and disorder, and trust and control, without metaphysics, by analysing the logic of the dynamics between them. Here, I run into a fascinating possibility of a parallel with the Taoist principles of Yin and Yang, which I will discuss later.

137. Yin and Yang: contrasts and complements

published 17-3-2014

Western philosophy is full of opposites, in dichotomies, such as: dark and light, night and day, construction and destruction, high and low, in and out, spirit and matter, good and evil, being and non-being, Ideally, analytically, it is one or the other; there is no third possibility.

In fact, often the opposites shade into each other or come together. At daybreak, dark shades into light, and vice versa at dusk. The porch of a house lies between inside and outside. In creative destruction, construction arises from destruction. Between being and non-being there are emergence and decay. Sometimes bad actions are needed to do good, and good actions misfire. Spirit (mind) is embodied in matter (brain).

However, in Western thought opposition prevails, and change is seen as antagonistic, as Coutinho (2014) proposes, arising from the conflict of opposites. This goes back to Heraclitus and we find it in Nietzsche. In the Western notion of dialectics, out of opposition between thesis and antithesis a synthesis may arise. Yet it remains a battle between opposites, not a blending in complementarity.

In Chinese philosophy, by contrast, complementarity prevails, where apparent opposites are contrasts, as parts of a unified process, coming together, typically in an organic, circular movement where they emerge from each other and yield to each other, as in winter and summer. Here, change is not imposed from outside but arises from within.

This applies, in particular, to the pair of Yin and Yang.² The root meanings of the two are the dark slope (Yin) and the light slope (Yang) of a mountain (In the northern hemisphere: the north and the south side). Going from there, the following distinctive features arise.

Yin

dark
moisture (mist and rain on the north slope)
downward movement, descent
soft soil
nurturing
receptiveness, fertility
integration
yielding
harmony, rest
closing down

Yang

light
dryness
upward movement, ascent
hard
challenging
filling, impregnation
disintegration
conquering, leading
conflict, tension, energetic
opening up

² Here again, I use: Steve Coutinho, *An introduction to Daoist philosophies*, New York: Columbia University Press, 2014.

female

male

The concepts are relative. The moon is yin with respect to the yang of the sun but it is yang to the yin of the dark sky. The male can be more or less female.

They are counterparts, complementary, succeeding and transforming into each other, building on each other, in an ongoing cycle of change, as in the succession of seasons. They are mutually yielding, blending into each other, ‘across a penumbra of vagueness’ (Coutinho 2014, p. 42).

Most importantly, from my interest in processes of change, the pair of yin and yang promises a view of change as internally generated, immanent, within nature, not as engineered from outside by some transcendent, outside power.

In particular, in the next item in this blog I will consider whether there are similarities, points of contact, or opportunities for cross-fertilization, between yin/yang and the cycle of change by assimilation and accommodation that I proposed, in items 31 and 35 of this blog. That also is a circle of succession of opening up and closing down, of disintegration and integration.

138. Cycles of change: Yin/Yang and discovery

published 23-3-2014

The economist Schumpeter proposed that innovation arises out of ‘novel combinations’, in surprising connections between elements from previously unconnected areas of thought or practice. Here I raise the question whether perhaps there are fruitful connections between the dynamic of Yin and Yang, indicated in the preceding item of this blog, and the ‘cycle of discovery’, developed in my earlier work, which I summarized in items 31 and 35 of this blog.

In Taoism, the interaction between Yin and Yang, between integration and disintegration, is taken to produce and change the universe, to create being and non-being.

In the cycle of discovery also, novelty arises from a succession of integration and disintegration, which results from an opening and closing of context and content, of practices or theories.

I start with a summary of my cycle.

In *generalization* an existing mental scheme or practice is applied to novel contexts. It is an opening up to new contexts. Generalization is needed for four reasons. First, to escape from the existing order in the present area of practice. Second, to obtain fresh insights into the limitations of existing practice. Third, to create pressure for change for the sake of survival, in the novel context. Fourth, to obtain insight into alternatives. Generalization can be real, as in a new market for an existing product, or a new field of application of a

technology, or it can be virtual, as in a computer simulation, laboratory experiment, or a thought experiment.

To survive in the new conditions the scheme is *differentiated* in an attempt to deal with them. For this one taps from existing repertoires of possibilities and capabilities learned from previous experience. It is still integrative in that sense, though it begins to open up to variety. If that does not yield survival, one tries to adopt elements of local practices that appear to be successful where one's own practice fails, in *reciprocation*. Here the basis is laid for an opening up of content. This yields hybrids that allow experimentation with novel elements to explore their potential, while maintaining the basic logic or design principles of the old practice. One next obtains insight into the obstacles from the old architecture that prevent the full utilization of the potential that novel elements have now shown. This yields indications for more fundamental opening up of content, in changes in the architecture, in *accommodation*. That is disintegrative.

Next, the new architecture, with old and new elements, is still tentative, requiring much experimentation and subsidiary changes, and elimination of redundancies and inappropriate leftovers from old practice, in a process of *consolidation*. Here there is re-integration into a unified whole. There is often competition between alternative designs, which mostly results in a *dominant design*. In this process there a renewed focus, in a tailoring to a specific context, a closing down of context. And next, to get away from that one again needs the opening up of generalization, and the circle is closed.

The logic is captured succinctly as a succession of closure of content (in a dominant design), opening of context (in generalization), opening of content (reciprocation, accommodation), closure of context, and again closure of content (in a dominant design), with integration in consolidation and disintegration in accommodation.

Does this parallel between Yin/Yang and the cycle of discovery make sense? Does it help to elucidate the former? If it makes sense, then in the stage of reciprocation Yin and Yang are most difficult to separate. It is Yin in the attempt at ongoing integration into basic logic or architecture, but Yang in bringing in the variety that leads up to disintegration.

Can I learn from Yin/Yang to improve the cycle of discovery? In Taoist thought ultimately the integrativeness of Yin is mostly seen to be the most fundamental force, while I have tended to focus on the Yang of creative destruction, in accommodation. Perhaps I have not fully appreciated consolidation.

My predilection towards Yang is reflected also in a pro-innovation bias in present, at least Western, society. Stability is associated with conservatism, which is seen to be antithetical to progress. But without the stability of Yin, Yang becomes neurotic and erratic.

With Buddhism, Nietzsche shares an engagement with the flux, shift, proliferation and transformation of phenomena in the world, without any absolute, immutable substance, including the self, which has no unified, fixed identity. This entails uncertainty, contingency, vulnerability and suffering.

With Taoism, Nietzsche shares recourse to nature, away from the artefacts of ethics, and of social and cultural rules and rituals (*wu-wei*, in Taoism). Nietzsche was certainly not a Confucian.

However, Buddhism seeks an escape, yielding rest and serenity, equanimity, in Nirwana. Taoism also seeks the achievement of invulnerability, serenity, in an awareness of the puniness of human life and concerns, a form of indifference, in the perspective of the vastness, all-encompassingness, unendingness, incomprehensibility and ineffability of nature.

In Western philosophy, the Stoics sought such invulnerability and serenity (*ataraxia*). For Nietzsche that is escapism, decadence, a denial of life and nature. Nietzsche accepts the flux, uncertainty, strife and pain, as part of life, and as a source of strength, something to be engaged in rather than to be transcended or dodged.

In the nihilistic rejection of immutable absolutes, as humanly impossible to achieve, or even as undesirable, Nietzsche distinguished between passive nihilism, in submission and a striving for invulnerability, and active nihilism, which engages nihilism, welcomes it as a challenge and opportunity.

With Nietzsche nature culminates in the will to power, a noble combat, an agonistic striving for transformation, not a flight from flux but engagement in it, the making of it. The sorrow and pain of life are to be embraced, to be accepted, in a love of fate, even they were to recur and recur forever.

In his early work, Nietzsche made a distinction between Apollo, as a principle of form, balance, harmony, and serenity, in art, and Dionysus, as a force of nature, creative destruction, rupture of form, and ecstasy, as I discussed in item 81 in this blog. In his later philosophy, of the will to power, Nietzsche was definitely on the Dionysian side.

The dynamism of Dionysus is reminiscent of Tao as a force of nature. For Nietzsche, the Dionysian and the Apollonian alternate, in a cycle, an eternal return of ascent and descent. The eternal return is to be accepted, even rejoiced in, taking the good and the bad.

In two preceding items in this blog I discussed Yin and Yang, where Yin is the movement towards stability, harmony, quiet, integration, nurturing, while Yang is the agonistic, strong, wilful, disintegrating force. Together, in their succession, interaction, and their merging, they drive life and nature. Is there a parallel here with the cycle of the Dionysian and the Apollonian in Nietzsche?

In this blog I have embraced flux, in what I have called ‘imperfection on the move’, an ongoing striving for perfection without the hope or even desire of ever achieving a final end of rest and perfection. I indicated that while ultimately in Eastern philosophy Yin is the more fundamental principle. I noted that in my ‘cycle of discovery’, in line with my interest in innovation and entrepreneurship, I lean towards Yang. In that, I am a Nietzschean.

141. The soft power of Yin

published 14-4-2014

In Taoism, of the two forces of Yin and Yang, Yin is seen as the most fundamental. This, I believe, connects with the role and importance of trust versus control that I discussed in items 68 to 75 of this blog.

The comparison may work as indicated in the table below.

<u>Yin</u>	<u>Yang</u>
yielding, submission	conquering, control
→	→
cooperation	rivalry
altruism	egotism

In items 54 and 55 I discussed the intellectual, spiritual and moral importance of collaboration, and in item 66 its economic importance. In item 67 I discussed the ensuing problems of collaboration. Later in this blog, in a series on economics and markets I will elaborate on these themes.

A large literature, in economics and business, has given attention to the tension between collaboration and rivalry, and in dealing with them, the tension between trust and control. Both are needed. Rivalry is needed for achievement, efficiency and innovation from competition. That is Yang.

On the other hand, often mental, spiritual and economic flourishing arise from utilizing differences between people (and organizations), or what I called *cognitive distance*. That requires an investment that is *specific* to the relationship, i.e. is lost when the relationship breaks. Thus, the investment will be made and will come to fruition only when there is a perspective for a certain duration of the relationship. That requires mutual forbearance and yielding to each others interests, and the building and maintenance of trust. That is Yin.

So the Yang of innovation and breakthrough needs the Yin of stability, forbearance and trust.

Specific investments create dependence, and a risk of losing the investment if the partner breaks the relationship. There is a Yang way and a Yin way of dealing with such risks of dependence.

The Yang way is power play and control, by hierarchy, in monitoring and imposing constraints on conduct, or by incentives, threats and rewards, to elicit proper conduct. There is an underlying threat of *exit*, breaking a relationship, when demands are not satisfied.

The Yin way is give and take, in *voice*, openness in deliberation to identify problems and cooperate to solve them, based on trust.

Yin is certainly the most difficult of the two, requiring wisdom, constraint, and empathy. It is also the most rewarding, in terms of both costs (lower costs of control) and revenues (more depth of relationship), as well as in intrinsic value of the relationship.

Here, as elsewhere, Yin and Yang are complementary, and they meet. Trust needs to begin where control ends and control needs to begin where trust ends. Behind voice there is exit as the last resort. A relationship may begin with control and soften into trust when things go well. It may begin with trust but gather controls when risks increase or trust meets its limits.

Does the use of the notions of Yin and Yang help in these issues? Perhaps not. But it is still nice, to my taste, to see that some familiar issue in the economy can be fitted into such a wider philosophical matrix. And perhaps, the other way around, this issue of rivalry and collaboration may help to elucidate the notions of Yin and Yang, and to make them more concrete.

316. Intervention or laissez faire in East and West

published 20-5-2018

Taoist political philosophy is non-interventionist, libertarian, approaching anarchism. It criticizes Confucian interventionism in ethical rules, civic and familial values and the imposition of ceremonies. Taoism aims to avoid what it considers to be artificial constructs (*wuwei*). Human design cannot cope with the richness and variability of holistic nature. Such design is bound to misfire and is in the way of natural processes that are best left to themselves.

This seems analogous to the split, in the West, between socialist interventionism and libertarian liberal laissez faire. However, a fundamental difference is that the latter is based on views not of holistic nature but of freedom for individuals. Those have a craving and see it as their right to exploit nature to their material advantage. And that has dire consequences for the environment.

However, liberal libertarianism does recognize the natural urge in Man for gratification and self-manifestation (and Nietzsche's will to power). And in nature there is not only harmony but also brutality in the struggle for survival. Taoism seems hesitant to face those realities.

I side in part with Confucianism and in part with Taoism. Such mixes have also arisen in neo-confucianism, as I indicated in item 131 of this blog. I also object to the constraining regimentation of Confucianism, which threatens the variety and variability that are inherent in nature, evolution, humanity and society.

I think there is some similarity between Taoist thought and modern evolutionary thought, which I have endorsed in this blog. Like Taoism, the latter also yields a need for restraint of the urge to engage in ‘intelligent design’.

For example, and in particular, it is odd to try and plan programmes for innovation while the crux of innovation is that it produces things that were unforeseeable (or else it would not be innovation). By planning innovation one obstructs it. So, here I would go along with Taoist thought.

This does not mean, however, that nothing needs to be done. It does not yield laissez faire. It does entail going along with the natural flow of processes, but one may help evolutionary processes of development to proceed, by facilitating and directing the core processes of the generation of variety, selection and proliferation of success. I think that is consistent with Taoist thought: the growth of plants can be enhanced by seeding, watering and pruning.

Similarly, I appreciate the value of markets, to let people do their own bidding in supply and demand, but institutions are needed to enable markets and constrain them in their perverse effects. In the next item of this blog I start an extensive series concerning economics and markets.

Will human beings act well when allowed to act freely according to natural impulse? In this blog I have argued that human nature is ambivalent in this respect. It harbours instincts of both self-interest and altruism (within limits). Under existential threat self-interest for the sake of survival is the stronger. Cultural means, in an ethics of conduct, and institutional means, in the rule of law, are needed to curtail egotism. Here I side with the Confucian view.

Institutions are needed to limit obstacles to the manifestation and flourishing of positive natural impulse towards fairness, solidarity, and justice. For example, they may be needed to break through prisoners dilemmas where individually people may be willing to act ethically but collectively find that they are unable to do so unless others do so as well. Society in general, and the economy in particular, are rife with such dilemmas. Intervention is needed to allow for escape from the dilemma’s.

In sum, I side with Taoism in restraint of planning of activities, intervention in natural processes, and regimentation of values and conduct, but I side with Confucianism in the need to curtail perverse instincts and solve social dilemmas.

In his book on trust, Fukuyama (1995) claimed that Japan is a ‘high-trust society’, along with the US (and Germany). Indeed, Japan is said to be ‘the society that displays perhaps the greatest degree of spontaneous sociability among contemporary nations’ⁱ, where that sociability is defined as: ‘the ability to come together and cohere in new groups, and to thrive in innovative organizational settings’.

From the ‘World Values Survey’ also it was reported, in 2005, that Japan was among the countries with the highest score on the proposition ‘most people can be trusted’.

Yamagishi & Yamagishi claimed the opposite: trust in people in general is much lower in Japan than in the US. This was based on a survey with the proposition ‘Most of the time people try to be helpful’, 47% of respondents agreed in the US vs. 26% in Japan.ⁱⁱ

Instead, and as a compensation for this lack of general trust, Japanese employ stable relationships, in tight networks of family and long term relations, based on loyalty and internal monitoring and sanctioning.

Yamagishi & Yamagishi noted that this locks people up in existing relationships, at the sacrifice of possibly new and more productive relationships with outsiders. There is also a vicious circle: not going outside one does not develop the cognitive and social skills of judging the reliability of possible new partners.

Interestingly, Fukuyama did note that when Confucianism migrated from China to Japan, in the seventh century, emphasis shifted away from benevolence and filial piety to loyalty to the leader, and ‘reciprocal obligation based on exchange of services ... entrenched in feudal traditions’.ⁱⁱⁱ That does seem to connect to the analysis of the Yamagishi’s.

How is this divergence of findings to be explained? To answer this question I employ the categorization that I developed in my 2012 book on trust^{iv}, and that was also used in earlier items in this blog. There, I distinguished different features of trust that need to be considered to avoid confusion.

Perhaps the most important distinction is that between reliance and trust. One can rely on people in two ways. One is control, where one manages the room for misconduct, by contract or hierarchical control, and incentives for good, non-deceitful conduct. The second way is trust, which goes beyond control, in the expectation that people will not deceive even if they have the room (opportunity) and incentives (gain) for it.

The second distinction that I make is that between factors within a relationship and institutional factors outside it.

Outside the relationship, *control* can be based on the law, and contracts based on it, as reputation effects as an incentive. Inside the relationship, control can be based on hierarchy, or a balance of mutual dependence, or the use of a hostage.

Outside the relationship *trust* can be based on generally shared ethics and morals. Inside the relationship it can be based on routinization in long term association, empathy, identification, friendship or love (as in a family).

An overview of these factors is given in the table below.

Sources of reliability

	Outside	Inside
Control room for conduct, hostage, incentives	contract, the law, reputation	hierarchy, mutual dependence, rewards, punishments
Trust identification,	ethics, morals, shame	routinization, empathy. loyalty, friendship, love

Now, in this framework I can to some extent locate the positions of Fukuyama and the Yamagishi's, as follows.

Apparently, the Japanese mostly employ the internal factors of hierarchal control and personalized trust based on loyalty. However, I wonder: if generalized trust is indeed lacking, as the Yamagishi's claim, in an absence of shared generalized, non-relationspecific ethics and morality, how about using the opportunity for control from institutions of law and regulations, and outside reputation mechanisms? Do they forgo that opportunity? If so, why?

How about the US? Is cooperation there indeed based on generalized trust, in a shared ethic and morality, or more on control with contracts and reputation? The latter seems more plausible. That is how the US is widely perceived: as a highly legalized society rather than one based on forbearance and benevolence. Could it be that in the surveys, and their interpretation, there is a mix-up between the two? Perhaps what is interpreted as generalized trust is in fact mostly reliance on such control.

Further empirical research seems needed that takes these considerations into account.

405. Yin and Yang, Mary and Peter published 12-1-2019

Earlier in this blog (items 137 and 141) I discussed Yin and Yang, in Chinese Tao. Yin stands, originally, for the northern, dark, moist, soft, earthy slope of a mountain, and Yang for the southern, sunny, dry, hard, rocky side. Yin came to symbolize the feminine, fertility, caring, intuition, harmony, balance, integration, the concrete, pragmatic,

horizontal, philia. Yang came to stand for the male, power, conquest, fracture, hierarchy, abstract, theoretical, vertical, eros.

Recently I read, in a book by Luigino Bruni and Alessandra Smerilli^v, that there is something similar in Christendom. There, we have Maria (Madonna), who stands for the feminine, care, the charitable, horizontal, communitarian, concrete, and Peter (Petrus), who stand for the male, the authoritarian, vertical, formal, institutional, abstract.

Anomalous, it seems, is that they assign the innovative, the transgression of existing institutions to the 'Marial', not the 'Petran'. I would assign it the other way around.

However, Bruni and Smerilli bring in the case of Antigone versus Creon. Antigone breaks the law, instituted by king Creon, by giving a dignified grave to her brother who died in a battle between brothers, following a more elementary law of life. She was put to death for it. Here we see transgression not for conquest but for benevolence, out of philia, and that indeed may belong to the feminine side.

Bruni and Smerilli plead for an economics with more of the Marial, in what they call a 'civil economy'. I like that term. They also call the Marial 'charismic', or 'charismatic', and they explain why, to what early meaning of 'charis', this returns. I do not think that is very helpful, because the meaning of 'charisma' now is different. I would call it 'other-oriented', both at the individual other and the collective, the community, as Bruni and Smerilli also intended.

Elsewhere in this blog I discussed Levinas' view of the 'visage of the other', the individual other human being, who transcends the self, is prior to it, and the difficulty he next has in reconciling this with justice that applies to all, as an institution. Here we also meet the tension between personal philia and collective institutions.

Yin and Yang can be conflictual but are supposed to be primarily complementary. Bruni and Smerilli apply that also to the Marial and the Petran. In the economy, the marial is oriented towards intrinsic value, of property, work and relationships, based on philia, while the Petran is oriented towards the eros-driven grasp of possession and power, based on hierarchy or contract. They plead for more of the former.

With intrinsic value, a relationship is not only instrumental but also an end in itself, and the mentality it requires is a matter of inner conviction rather than duty. Philia more than eros.

That seems similar to my plea, at several places in this blog, for a shift from the present economic mainstream, based on a utilitarian, self-interest oriented ethic to a more other-oriented ethic with the virtues of prudence, courage, moderation and justice, with a shift from eros, greed, to philia, non-contractual reciprocity.

In what Bruni and Smerilli call a civil economy, there is still competition but also collaboration, and next to contract also mutual dependence and non-contractual

reciprocity. The contract is, in their terminology, oriented at ‘immunity’, i.e. self-oriented invulnerability to opportunism, but it loses out on ‘community’ and the intrinsic value of more informal and other-oriented mutual interest, which is, however, more vulnerable, and hence requires the virtue of courage.

This aligns with my discussion, in this blog, of control and trust as complements as well as substitutes. The one begins where the other ends. Blind trust is not wise. But more trust allows for less control. Trust-based relationships, bearing more *philia*, have more intrinsic value but carry more risk. To support give and take, and the mutual forbearance of *philia*, they also require, next to courage, the virtues of prudence, moderation and justice.

ⁱ Francis Fukuyama, *Trust; The social virtues and the creation of prosperity*, 1996, Penguin, page 150.

ⁱⁱ Toshio Yamagushi & Midori Yamagushi, ‘Trust and commitment in the United States and Japan’, *Motivation and Emotion*, 18(1994), p. 129-166.

ⁱⁱⁱ Fukuyama, *op. cit.* p. 182.

^{iv} Bart Nooteboom, *Trust: Forms, foundations, functions, failures and figures*, 2012, Cheltenham UK: Edward Elgar.

^v L. Bruni & A. Smerilli, 2014, *L'altra metà dell'economia, gratuità e mercati*, Roma: Città Nova Editrice.