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# THE MALAISE OF MODERNITY UNDER CONSUMOCRATIC ORDER

ABSTRACT. My purpose in this paper is to demonstrate that a nascent and transformative consolidation of consumer regulatory power (referred to as the consumocratic order) calls for a reconfiguration of premises relating to the analysis of market liberalism and to the distribution of wealth in liberal societies. The solicitation of solidarity and egalitarian forces within private markets being here envisioned with realism, the general intent is also to identify, ex post facto, unexplored avenues in the philosophy of economics. Charles Taylor's Malaise of Modernity serves as a reference point in this examination as it characteristically ties the growing influence of private transactions and decision-making to the functions generating such malaise. It is also a revealing point of reference in the sense that consumocracy leads one to review the tenets of individualism and instrumental reason, the expressive sources of the same malaise, according to Taylor.

JEL Classification: A12, A13, Keywords: consumocracy, other-regarding behaviour, distributive A19 justice

### Introduction

At the center of the debates generally raised by the intervention of non-state regulation, the following question remains inescapable: does the enterprise owe society anything apart from its state-defined legal obligations? At the most basic level, the literature suggests that legitimate attempts to guide corporate conduct from outside the sphere of state interference are either exclusive (involving shareholders only) or comprehensive (involving a plurality of 'stakeholders').

On one side of the spectrum are theoreticians who maintain that corporate managers are not justified in listening to any organised social groups whose demands are not already translated by applicable law, that 'self-appointed individuals' cannot decide what society's interest is and, following a well-known formula, that "the sole responsibility of business is to make a profit" for shareholders (Friedman, 1962), or maximise long-term shareholder value subject to respecting distributive (meritocratic) justice and 'ordinary decency' (Sternberg, 2000). On the other side of the spectrum are the advocates of the 'stakeholder theory' of the corporation for whom firms represent a constellation of cooperative and competing interests

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(Donaldson and Preston, 1995) expressed by a variety of stakeholders who can influence, or be influenced by, corporations' activities (Freeman, 1984) or else by groups and individuals who voluntarily take risk in such activities or are exposed to the risk (Clarkson, 1995).

Somehow in between lies an approach which draws attention to the external control of an organization, that is, the organizational response to the power of entities (such as shareholders, consumers, and dominant suppliers) on which depends its access to vital resources, hence its survival (Pfeffer and Salancik, 1978). An external perspective on organizations requires a serious consideration of the demands of such external entities which are in a position to alter corporate conduct and organizational conduct more generally. While stressing the dependence of corporations on the demands expressed by their resourceproviders, it is useful to qualify the power of the latter – that of consumers, most specifically – in order to introduce this approach within a proper perspective.

The power thus invoked is marked by at least two characteristics of importance. It is firstly communicational, in that it necessarily implies the transmission, between diffusers and recipients, of a message through a messenger. On certain markets, corporations in effect send to consumers, via a label affixed to a product or other means of 'societal marketing'<sup>1</sup>, a signal according to which a code of conduct is being enforced by them or along a given chain of production. The marketing signal can vary in clarity from one chain to another, but it invariably conveys information destined to meet the expectations of consumers who pay heed to non-traditional attributes of consumer goods. Among the most advanced forms of societal marketing initiatives are the dolphin-safe (Teisl, Roe, and Hicks 2002), child labour free (DOL 1997, Hilowitz 1998), fair-trade (Stiglitz 2005), and forestry (Cashore et al., 2004) (eco-) labelling initiatives. All of them require the use of relatively simple signals such as labels to communicate to consumers the expected achievements of relatively complex codes. Assuming the credibility of such information device, one is led to acknowledge that messages transmitted to consumers through societal marketing are meant to satisfy their recipients and, by ricochet, that the formulation and acceptance of the corresponding codes depend, to a significant extent, upon the perceived expectations of these external 'resource-providers' and the operation of effective technological devices (Callon et al., 2007).

The regulatory power of consumers is equally marked by its economic dimension. This is not to suggest that 'stakeholders', more generally, cannot exercise economic influence over the conduct of business. Enterprises have always carried out their activities on the basis of values and principles that are widely shared by the local communities that support them directly or indirectly. This set of values and principles is the socially standardised platform for all business activity. It provides a 'social licence to operate', under a broad idea of what constitutes the public good.<sup>2</sup> A more direct and definite influence on business activities derives from two types of consumer action. The first, *buycott*, is 'positive' in the sense that it induces people to purchase goods produced under conditions deemed desirable by them (and identified in the mediating code). The second, *boycott*, is 'negative' in that it seeks to disapprove of the selling of labelled or non-labelled goods produced under conditions deemed less desirable or simply undesirable. Unlike sanctions known under state and private

<sup>&</sup>lt;sup>1</sup> One may define societal marketing as the marketing of goods or services whereby societal information is signaled to consumers through various means. Societal information in turn pertains to certain conditions or effects observed or to be observed at the stage of production, distribution, or usage of goods, in accordance with the terms of a corporate code. See Kotler and Levy (1969, 10-15) and Crane and Desmond (2002) for an earlier vision of this marketing form.

<sup>&</sup>lt;sup>2</sup> *The Economist* espouses a similar view of this phenomenon: "In a way, this is to concede an important point to the advocates of CSR [corporate social responsibility]. Capitalism does function on top of, and one way or another is moulded by, prevailing popular opinion... [T]he conditions that must be satisfied if capitalism is to serve the public good are not trivial. A comprehending and supportive climate of opinion must be added to the list. That is why the battle of ideas matters so much." (January 22-28, 2005, special survey, p.10).

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customary law, these positive or negative sanctions operate directly through private markets, linking a critical mass of consumers (the sanctioners) to more or less distant corporations (the sanctioned). This is done with a degree of directness the state could hardly approach.<sup>3</sup> Such directness combined with well organised operations on the part of consumers may prove highly compelling. In comparing the ability of consumers to force corporations to review their policies or practices with that of the state, Max Weber prefiguratively concluded that "[t]he case of conventional guarantee of an order which most closely approaches the legal, is the application of a formally threatened and organized boycott. For terminological purposes, this is best considered a form of legal compulsion." (1964, p. 128). The system by which consumers can exert authority on corporations through the broadening of what qualifies as a desirable consumer good will thus be referred to as *consumcracy*.

### The Malaise of Modernity?

The consumocratic order<sup>4</sup> and its philosophy are also properly introduced by referring to what gave them birth, that is, the experience of a democratic deficit or the sincere belief in the existence of such a deficit. Whether national or global, this perceived lack of democratic control would be evidenced by the eclipse of egalitarian or protection goals in modern societies, and the realization that a number of supra-state organizations – such as multinational corporations, the International Monetary Fund and the World Trade Organization – are increasingly exercising control over citizens' destiny. We are commonly told that the primacy of instrumental reason is not estranged to this. When moral considerations on social or environmental protection yield to rationales of cost-output measures, the primacy of instrumental reason, as generally endorsed by these organizations, in fact appears to eclipse legitimate ends and restrict citizens' choices. The resulting loss of democratic freedom, it is then typically suggested, would derive from the direct or indirect, but economical operation of private markets.<sup>5</sup>

In its contemporary forms, this *malaise of modernity* has been described by Taylor as a symptom of what Alexis de Tocqueville feared when observing the disenchantment of modern democracies: a variant of 'soft despotism'. It is meant by this that a vicious circle involving the combined forces of individualism and instrumental reason further aggravates the democratic deficit and encourages individuals to simply enjoy the satisfactions of private life, outside the sphere of political participation. While aspiring to the 'pitiable comfort' of Nietzsche's *last men*, they would become more vulnerable to tutelary powers, feel powerless, less motivated, and subjected to the authority of impersonal mechanisms imposed within efficient institutions (Taylor, 1993; see esp. 9).

In this a priori alarming combination of individualism and use of instrumental reason, Taylor sees the sources of the malaise of modernity, though the author recognizes that there is hope for freedom as long as a re-enframing of our democratic life would challenge certain powerful atomist and instrumentalist stances. I will argue that such a challenge may not be as prospective as it appears but let us first summarize Taylor's exposition of his critique of

 $<sup>^{3}</sup>$  In the works of regulatory cost-benefit analysis proponents, consumer choices in fact do not lay themselves wide open to bureaucratic inefficiencies, agency capture, and paternalism – at least not as openly as political action through voting does (Zamir, 1998).

<sup>&</sup>lt;sup>4</sup> From *consummare* (Lat.), to consume, and *kratos* (Gr.), authority. Consumers who pay attention to *societal information* (as opposed to *product information*) will be referred to as *consumocrats*.

<sup>&</sup>lt;sup>5</sup> Kysar notes in that respect that "[w]hen paired with the global integration of economies, [the shift away from states and towards markets] has left in its wake a variety of 'democratic deficits', perhaps best typified by the lack of an international labor or environmental regulatory organization that it comparable in scope and authority to the WTO [World Trade Organization]." (2005, p. 121).

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liberal democracy, firstly inspired by the *loss of meaning* and the *eclipse of ends* in modern societies.

The loss of meaning is a malaise stemming from individualism. The Taylorian analysis does not contest that the spirit of individualism may be regarded as one of modernity's finest achievements. In principle, it has liberated people from the demands of supposedly sacred values and transcending orders. In liberal democracies, people can in fact more freely choose their own path of life and modern legal systems are partially designed to protect such individual rights to define and affirm ourselves. Yet, the concomitant liberalization of neutrality about what constitutes a good life and the discrediting of old hierarchical orders leaves Taylor perplexed. His central argument hinges on the suggestion that such orders gave meaning to social life and that contemporary expressions of selffulfilment, enrobed in soft-relativism, are consequently deprived of horizons of significance. For these horizons are the backgrounds of intelligibility against which some things can plausibly be more worthwhile than others, prior to choice. Choice, by itself, does not confer worth and, to the extent that modern democracies appear to draw the individual towards himself, popular visions of self-fulfilment threaten to enclose the individual, in the words of de Tocqueville, "in the solitude of his own heart". In other words, the narcissistic side of individualism is a centring on the self, which would both flatten and narrow our lives, make them poorer in meaning, and less concerned with others or society (1993, p. 4).

The eclipse of ends is a malaise engendered by the primacy of instrumental reason as measured, typically, by the "best cost-output ratio". The eclipse of ends is connected to the loss of meaning in that instrumental reason has gradually replaced the internal order of horizons of significance to become the vardstick by which we judge our social arrangements and interactions with the environment. If instrumental reason defines the application of means to achieve certain ends, it is its primacy that has the power to eclipse independent ends. The eclipse of egalitarian or protection goals by instrumental considerations of efficiency is one familiar illustration of this phenomenon. It is a disregard for certain ethical designs under the pressure of maximization constraints. It is also manifested in the attachment of monetary values to human lives and in the technicisation of medical intervention at the expense of humanly sensitive caring.<sup>6</sup> Taylor stresses the incompatibility of whatever demand that transcends the self – such as the demands of citizenship, the duties of solidarity, or the needs of the natural environment - with the canons of cost-benefit analyses. Simple trade-offs between the advantages and disadvantages of modern developments are not seen as a solution to the eclipse of ends, for what is fundamentally at stake would rather lie in the ways these developments could reinforce principles of human dignity and avoid the slide into debased forms of governance (1993; esp. 11-12).

Under this view, the loss of democratic freedom is inherently characteristic of the functioning of private markets. It is indeed through private markets that the spirit of individualism typically unites with cost-output measurements to meet the needs of modern citizens. The transformative features of consumocracy shed new lights on the portrait of this reunion, on its apparent monochromaticity. After discussing these features together with the characteristic principles of consumocracy (A), I will offer some theoretical starting points for a new understanding of liberalism's egalitarian potential (B).

## A. Transformative Features of Consumocratic Action

Popular initiatives, behaviour and techniques now commonly referred to as 'fair trade', 'ethical purchasing', and 'societal labelling' remind us that consumers are increasingly

<sup>&</sup>lt;sup>6</sup> See *infra*: Heinzerling (2002) and Andrews (2003).

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exposed to a wider range of information pertaining not so much to market goods themselves as to conditions linked to their production or usage. Such other-regarding attributes of market goods, when revealed, empower them in ways that predictably enrich their ability to be citizens (e.g., Canclini, 2001). Consumers are accordingly called upon to acknowledge some part of responsibility in the persistence of a number of irritants which the sole intervention of the state, in the operation of markets, cannot seem to combat satisfactorily.

From a consumocratic perspective, informational barriers between the loci of production and consumption are thus partially removed, providing consumers with the choice of combining, in their purchasing decisions, both the final attributes of goods (e.g., their price or manufacturing quality) with their peripheral attributes (e.g., the social, environmental or ethical conditions under which they are produced). By the means of societal marketing, the spheres of production and consumption may connect through a third, informational sphere – a societal window in between. This bridging device may turn a potentially oppressive state of affairs into an object of regulation by consumocrats. It makes it possible to appreciate the value of commodities from a wider perspective and to redefine one's perception of what is a desirable product or service. In other words, the societal window serves a potentially emancipatory function, insofar as widespread socio-environmental conditions of production are deemed unacceptable by significant segments of the population. The extent to which the societal value of the commodity is taken into account in the appraisal of its exchange value then becomes a matter of fact, a process made plausible. One must acknowledge that financial constraints undeniably act as a deterrent if consumers must pay a substantial premium in the aim of supporting those corporations engaged in integrating pre-targeted rights into their practices. In fact, since the ratio of a product's price to the total income of a consumer is likely to favour the elasticity of demand as this ratio increases, societal marketing is clearly doomed to failure if consumocratic premiums are out of the consumers' reach. But in the absence of consumocratic devices and of such reconsiderations, the exploration of new areas of regulation within the economic socket of the modern order itself would remain, at best, a utopian project.

By contrasting the malaises depicted by Taylor with phenomena rendered possible by the transmission of societal information to consumers, one can best appreciate some transformative features of consumocracy. I mean by this the contrast of individualism, instrumentalism, and soft despotism with non-narcissistic expressions of consumer action (I), the solicitation of ethical examination in the marketplace (II), and the burgeoning manifestation of the 'heroic consumer' (III).

## I. Individualism vs. Non-Narcissistic Views of Consumer Action

In a non-consumocratic regime, traditional type information circulates through channels of consumption for the purpose of satisfying a demand for desirable goods. This information is typically confused with traditionally defined attributes as to what is a desirable consumer good – i.e., a fairly safe, accessible, and more or less affordable product of good quality and repute. It is also widely publicised; the market place is inundated with marketing slogans and images evoking the desirability of products thus defined. Such information has largely solicited *individualistic* consumer reflexes. In the absence of more elaborate and accessible representations of consumer goods, it is in fact in relation to oneself, as a general rule, that a consumer good is showing attributes of desirability. A better price, better quality, guarantee of safety, proximity of the product to the consumer, a more refined design, prestige, better after-market customer service and other information of this sort contribute to promoting the idea that the desirability of a product is not defined in relation to others (e.g., workers, eco-systems, or future generations), but simply in relation to oneself.

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The architecture of this informational structure is inspired by a deceptive spirit; it suggests that expressing non-individualistic concerns through markets is a peculiar or implausible phenomenon. Informational walls, no doubt, occupy a central place in the motivational foundations of commodity markets. But they do not pose insurmountable obstacles. If one is to develop plausible means of safeguarding against the exclusive appeal to individualistic drives, 'information windows' between the spheres of production and consumption provide the essential element. Consumers invited to pay attention to both the final and peripheral attributes of goods may not, as a result, act solely in accordance with their own interests, but also in accordance with the interests of others – or, more precisely, according to the value given to the consideration of others' interests. Four types of 'other-regarding behaviour' may be elicited through this *rapprochement* between the spheres of production and consumption.

The first type characterises consumers as motivated by sympathetic feelings towards wage-earners, vulnerable beings, or future generations. These feelings are sufficient to such consumers to develop an ethical approach to buying, independent of the presence or absence of other mechanisms of justification; in the end, they create their own norm which eventually may or may not be observed by others. These non-individualistic feelings rest perhaps more generally on the altruistic trait that is widely shared among humans. In support of a naturalistic vision of this phenomenon, one may note that this trait is present even among other animal species.<sup>7</sup> The normative 'golden rule', for instance, must have first been formulated and relied upon by some philosophical leader.<sup>8</sup>

A second type characterises consumers as motivated by a sense of duty. This duty is hardly influenced at all by the culminative outcomes of an individual purchase made as a result of an enlightened choice. Rather, its source is more akin to that which motivates many voters and which consists in anticipating theoretically what the likely results would be if everyone acted in the same fashion (in voting or not voting, in supporting or not supporting a consumocratic system). Following Kant, this duty can be assimilated to a *categorical imperative*<sup>9</sup> to the extent that it does not respond inevitably to utilitarian reasoning (Russel, 1972, pp. 710-711).

A third type characterises consumers as motivated by the effects of alreadyestablished or emerging norms of conditionality.<sup>10</sup> An example of this type would consist in describing the behaviour of consumers who desire to express their altruism on the condition that a critical mass of consumers is doing the same.<sup>11</sup> This egalitarian norm is obviously not without its ties to objectives of efficiency and, more generally, a utilitarian perspective. Utilitarian people must be aware that if the fate of a national election were to hinge on a

<sup>&</sup>lt;sup>7</sup> "Only on the basis of sympathy does food sharing [among chimpanzees] become possible. As opposed to the inequality principle, this bud of mentality is oriented toward some social system based on the equality principle" (Itani 1988, p. 149). See also de Waal (1992), who cites Itani.

<sup>&</sup>lt;sup>8</sup> 'Do unto others as you would have them do unto you', Matthew [7:12]. The opposite formulation of such rule is often attributed to George Bernard Shaw: "Do not do unto others as you would that they should do unto you. Their tastes may not be the same".

<sup>&</sup>lt;sup>9</sup> One may recall Kant's well-known categorical imperative: "Act only according to a maxim through which you can at the same time will that it become a universal law" or "Act as if the maxim of your action were to become through your will a general natural law" (2002, p. 37).

<sup>&</sup>lt;sup>10</sup> See among others Elster (1989, 113) on norms of conditionality and, although the author does not make a point of distinguishing between self-regarding and other-regarding behaviour in the discussion, Bicchieri (2006). <sup>11</sup> One may here refer to the rich literature on the (ir)rationality of voters (see for example the classical study of Riker and Ordeshook, 1968). Utilitarian voters and consumocrats may value the very process of voting and of 'buying responsibly' as much as the civil projects that lie behind such processes. It is otherwise more difficult to explain why (1) voters would apparently wait in line to simply add one vote into a national election machinery and why (2) consumers would spend 'extra time' or 'extra money' when shopping individually. See also Sen (1997) on the influence of the choice act in maximizing behaviour.

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single vote – not to even consider controversies surrounding rejected ballots – a new election would be called in response. The culmination outcome of their action, in such a decisive and critical case, would inevitably wind up in a cul-de-sac. In these conditions, utilitarian voters do not only value the culmination outcomes of their action, but also the very fact of exercising their right to vote.<sup>12</sup> It is further noted that interest in exercising one's right to vote is inextricably attached to a civil project, either supportive or oppositional. Utilitarian voters typically refer to culmination results when it comes to justifying their going to vote. Culmination outcomes envisaged by voters (e.g., supporting a certain political program or ideology) are used to justify their vote. Voters wish to 'win' their election, or 'object' to a political project, but it is difficult for them to explain how, in effect, their individual vote will 'make a difference' and significantly contribute to the ultimate outcome. The internalization of the civil duty to vote, and the valuation of this democratic necessity, is often strong enough to induce voters to speak of culmination outcomes as their principal motivational force. Consumocrats may adopt a similar logic in this regard. Because there is a societal value attached to a product subject to societal marketing, a 'child labour free' carpet for sale is not simply a carpet for sale. It is also an idea of, and a commitment to, fairness; societal marketing thus opens a door to the terrain of civil action. In this context, consumocrats may justify their ethical buying by referring to some socially desirable outcome (e.g., the elimination of child labour). Nonetheless, rational consumocrats must be aware of the inevitable dilution of the instrumental effect of their purchasing decisions in the sea of sales. An ethical appeal, more or less internalised under the form of a social duty, ought to drive such pro-active consumers. For they must here value the process of ethical buying as much as the desired culmination outcome - e.g., the making of carpets by fairly paid adults, not by young bonded labourers. Utilitarian voters and consumocrats accordingly value the process of voting and of 'buying responsibly' as much as the civil projects that lie behind such processes. This is why one may anticipate participation levels in consumocratic activity to approach or mirror those of traditional democratic activity. Similar norms of conditionality could exert a positive and approving social pressure on 'other-regarding' types of consumer action and, as a corollary, a negative and disapproving social pressure on more egoistic patterns of behaviour.13

A fourth type characterises consumers as motivated by a spirit of admonitory justice. This means that people may value the sending of disapproving signs to 'abusers' (or the sending of signs of approval to 'non-abusers') at least as much as the expression of sympathy towards the 'abused'. The diffusion of process and peripheral information to consumers does provide them with the possibility to express their unease in a context often marked by feelings of powerlessness in the face of corporate or 'tutelary power'. For the firms involved on a competitive market, such warnings and approvals, as market signals deriving from any other type of consumocratic behaviour, generally result in increased or decreased market share.<sup>14</sup>

<sup>&</sup>lt;sup>12</sup> The act of voting is arguably the most powerful symbol of living democracies and, were it to fade away, it would most likely be rehabilitated, paradoxically, by an obligation to vote imposed by the state. Australia and Belgium, among other states, have made voting a legal duty.

<sup>&</sup>lt;sup>13</sup> Some people indeed find interest in combining more directly reputational effects with the value that is socially attached to the act of voting or buying responsibly; they are openly proud of having voted, or showing their latest fairly traded item.

<sup>&</sup>lt;sup>14</sup> In all cases consumocratic influence may be underestimated as few firms can afford to lose a significant portion of their market share. No comparative study appears to have been conducted recently on the relative dependence of firms on the preservation of market shares likely to be boosted or curtailed by consumocrats. But it has been suggested that a minimum relative market share is needed for the long term sustainability of a business and that such "critical share is (often) of the order of <sup>1</sup>/<sub>4</sub> of the leader's share" (Abell and Hammond, 1979). See Midgley (1996) for an account of the early departure of the consumocratic movement, in England.

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These types can certainly overlap to a variable extent. One essential attribute that all four share, however, is their attachment to a predefined project involving, as a general rule, the protection of vulnerable people or things. It is a predefined other-regarding project sanctioned at the individual level – an 'individualized collective action'.<sup>15</sup> As such, it does not 'draw the individual towards himself' or render him 'less concerned with others or society', but rather invites the individual to inject meaning into the socket of the liberal order itself. It does not destroy 'horizons of significance', but instead gives rise to an ethical background against which an otherwise purely individual act acquires societal value. It does not encourage soft-relativism either, but offers an ordering of values in which the sense of indifference is posited below that of responsibility, prior to choice. The malaise of individualism therefore does not typify the spirit of a consumocratic order.

### II. Instrumentalism vs. the Solicitation of Ethical Examination

Before directly addressing the problem of instrumental reason and its primacy over finalities, it is useful to trace the origin of an influential assumption concerning the functioning of markets. It happens to have seduced not only Taylor, but many other contemporary analysts.

Adam Smith famously paved the way for an individualistic approach to our understanding of market operations. He suggested that individualism is the instrument of a virtuous and involuntary movement under which the pursuit of personal interests engenders the satisfaction of the greater number.<sup>16</sup> The coordinating role of the 'invisible hand' of markets was further invoked in support of a laissez-faire approach to market regulation. Under this approach, collective interests are being involuntary promoted, allegedly for the better, under a number of conditions. The expression by consumers of concerns for others, under this view, appears as an inconsistent notion; at any rate, trade for 'the public good' would not do 'much good'.

We owe to Alfred Marshall the development of the more sophisticated notion of a market more visibly imperfect. It implies a disconnection between individualism and solidarity in the guidance of private markets and the pursuit of the 'public good'. This disconnection is best reflected in the widespread use of the Marshallian notions of 'negative externalities' and 'positive externalities'. Both concepts support the belief that markets are naturally driven by individualistic concerns. Negative externalities (e.g., the socially *undesirable, over-produced*, unintended effects of markets) and positive externalities (e.g., the socially *desirable, under-produced*, unintended effects of markets) have long founded the economic legitimacy of state interventionism. In the face of such 'market failures', it is generally believed that the virtue of solidarity in regulation matters is the preserve of states' corrective interventions.<sup>17</sup> Under this instrumental view, it is because markets intrinsically 'under-train' workers (job training being a positive externality) and 'over-pollute' (a negative externality) that the state must promote training and discourage polluting, pre-eminently and

<sup>&</sup>lt;sup>15</sup> This expression is borrowed from Micheletti (2003).

<sup>&</sup>lt;sup>16</sup> "[E]very individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. By preferring the support of domestic to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good." (Smith, 1982, par. IV.2.9).

<sup>&</sup>lt;sup>17</sup> Such market failures are central in the study of the 'fundamental theorems of welfare economics', which in turn support the contemporary interventionist approach (Bator, 1958).

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for the benefit of all. Hence the reinforced myth of a paternalistic state correcting markets that are naturally born selfish.

This exclusive approach to the exercise of individualism and solidarity has been the source of an influential assumption. When faced with the failure of solidarity-derived functions (e.g., the functions of reducing environmental pollution, or protecting vulnerable people), social analysts are typically drawn, under it, to invoke the *contingent failure of the protective state*, in contrast with the *necessary failure of the market*. The state would therefore fail in its attempt to prevent or redress the undesirable effects, thus deemed inevitable, of private markets and individualistic logics of action. Such is the central assumption conveyed in the Taylorian critique of modernity.<sup>18</sup>

A similarly deceitful rationale is found in standard economic microanalyses. Under the common wisdom, more informed consumers are in a better position to guide producers towards supplying goods more efficiently – i.e. by supporting a better symbiosis between production capacities and consumers' (traditionally defined) preferences, at relatively low costs. More accurately, it is assumed that more information on products (e.g., on the availability or the placement of commercial goods) should enhance consumers' satisfaction through reducing the risk that products of identical quality are offered at different prices, at the same time and in the same region, all else being equal. Thus, it is because of a lack of information that a consumer would end up buying such an identical product at a higher price.

Societal information – which could justify a price difference in *goods apparently identical*, according to non-consumocratic criteria – is commonly disregarded in this analytical framework.<sup>19</sup> In a similar way, the demand for products lending themselves to particular forms of conspicuous consumption<sup>20</sup> – which may *increase with price* – is considered an anomaly unforeseen by standard consumer economics (Leibenstein, 1980, 48 *et seq.*). It is wrongfully assumed that instrumentalism cannot be at the service of moral choice, and that it cannot guide markets towards the resolution, albeit imperfect, of important social or environmental problems – as though pre-identified finalities could not guide instrumental reason towards the realisation of the 'public good'. By the same token, one overlooks the possible endogenous redefinition of corporate profitability equations by better informed consumers. In other words, societal information provided to better informed consumers may infuse moral considerations into the formulae according to which corporations define their economic efficiency. The introduction of moral considerations into the purchasing act by a critical mass of consumers has thus been largely neglected in standard economics. Its formalisation, at the individual level, requires a minimum of original developments.<sup>21</sup> How

<sup>&</sup>lt;sup>18</sup> It is also implicit in the view "that the institutions and structures of industrial-technological society severely restrict our choices, that they force societies as well as individuals to give a weight to instrumental reason that in serious moral deliberation we would never do, and which may even be highly destructive. A case in point is our great difficulties in tackling even vital threats to our lives from environmental disasters." (Taylor 2003, 8).

<sup>&</sup>lt;sup>19</sup> The work of Freeman (1994) remains exceptional in this regard.

<sup>&</sup>lt;sup>20</sup> I refer here to '*particular forms* of conspicuous consumption' since the Veblenian notion of conspicuous consumption essentially designates a different phenomenon, also known as the 'bandwagon effect', i.e. "the extent to which the demand for a commodity is increased due to the fact that others are also consuming the same commodity (Leibenstein 1950, 202). As Veblen originally put it: "The law of conspicuous waste guides consumption in apparel, as in other things, chiefly at the second remove, by shaping the canons of taste and decency. In the common run of cases the conscious motive of the wearer or purchaser of conspicuously wasteful apparel is the need of conforming to established usage, and living up to the accredited standard of taste and reputability" (1899/1953, 119).

<sup>&</sup>lt;sup>21</sup> The action of such a critical mass of consumers may be described using original models inspired by the economic approach to methodological individualism. In the Beckerian approach to consumer choice, the utility of a household or of consumers, more than being simply a function of the level of consumption of goods and services offered on the market, is interestingly a function of the level of consumption of 'choice commodities' (the appreciation of music and euphoria, among other examples) which the household or consumers produce

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distant is this from the thoughts that initially inspired 'value-free' marginal analysis in economics?

Alfred Marshall has been deemed responsible for the sanitization of modern market studies by having "abolished the moral problem", and created "an ideology to end ideology" (Robinson 1964, 53) as well as a "value-free economics which claims merely to describe positivistically how the ineluctable forces of the unfettered market work" (McGuigan, 1998, p. 144). On Marshall's own testimony, the conditions under which goods are produced, and the moral dilemmas inherent in their possible consideration by consumers, are in effect excluded from his conceptualizations. They, however, were part of his concerns:

The world would go much better if everyone would buy fewer and simpler things, and would take trouble in selecting them for their real beauty; being careful of course to get good value in return for his outlay, but preferring to buy a few things made well by highly paid labour rather than many made badly by low paid labour. But we are exceeding the proper scope of the present Book; the discussion of the influence on general wellbeing which is exerted by the mode in which each individual spends his income is one of the more important of those applications of economic science to the art of living (1920/1997, p. 137).<sup>22</sup>

By suggesting that caring and tasteful consumers could 'educate' producers, Marshall was alluding to sentiments above those of the Smithian commercial order.<sup>23</sup> Benevolence and fairness might belong to a more idealistic order, but it does not necessarily follow that they could not define the social platform on which market exchanges take place and inform rational decisions.<sup>24</sup> Consumocratic exchanges operate on such a redefined platform – from

from goods offered on the market along with other resources. More formally, the utility of the consumer is represented by:

U = U (Z1,..., Zm),

with

 $Zi = fi(X1i, \dots, Xni),$ 

where Zi is the amount produced of a ith choice commodity and Xji is the quantity consumed of a jth product or service offered on the market entering into production of the ith commodity of choice. There exist at least four of these commodities (with (Z1) being the satisfaction, of the first type, derived from the expression of sympathy towards others, (Z2) being the satisfaction, of the second type, derived from the expression of the sense of duty, (Z3) being the satisfaction, of the third type, derived from the equal and effective expression of sympathy towards others, and (Z4) being the satisfaction, of the fourth type, derived from the expression of a spirit of admonitory justice) which are more susceptible to being produced by choice of consumer goods bearing the mark of certification than by the choice of products that do not bear such a mark. With the arrival of these new products on the market, one notes X'ji , the quantity consumed of the jth certified product (identical to the jth product according to non-consumocratic standards) entering into production of the ith commodity of choice. In this new context, the utility U' of the consumer satisfies

U' = U(Z'1,..., Z'm),with

Z'i = f'i(X1i,..., Xni, X'1i,..., X'ni),

where the functions of production f'i are such that f'i(X1i,..., Xni, 0, ..., 0) = fi(X1i,..., Xni), among other conditions. Since commodities Z1, Z2, Z3, and Z4 are more susceptible to being produced by the choice of consumer goods bearing the mark of certification than by the choice of goods not bearing this mark, consumers will be led to prefer those products that are certified to those that are not (though similar in all other respects), insofar as they were looking to produce commodities Z1, Z2, Z3 and Z4 more 'efficiently'. For similar reasons, consumers would also be willing to pay a premium to buy certified products.

<sup>22</sup> I do not suggest that Marshall's particular recommendations would in fact make the world "go *much better*". Nor is it implied here that the fruits of low/highly paid labour are necessarily of poor/good quality.

<sup>23</sup> Adam Smith had defined them as self-interested virtues including prudence, justice, industry, and constancy (1759/1976).

 $^{24}$  It may be worth recalling, with Sen, that "[t]o see any departure from self-interest maximization as evidence of irrationality must imply a rejection of the role of ethics in actual decision taking." (1987, p. 15).

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the rationalisation of goals to some enlightened use of reason. It is arguably in this sense that instrumental reason does not obligatorily take precedence over finalities on the market place. And that consumocracy seems to be reviving a certain 'moral problem'.

#### III. Soft Despotism vs. the 'Heroic Consumer'

If Taylor sees in soft despotism the reunion of individualism and instrumentalism, it follows, in the same logic, that the affirmation of non-narcissistic views and growing ethical concerns in consumer action may converge and enfeeble this type of despotism. As discussed below, this weakening could, under certain conditions, open the door to a major renewal of the role of the consumer in liberal society. One could then witness the rise of the 'heroic consumer', on the basis of both objective and subjective considerations.

As regards objective considerations, it is material to observe that the solicitation of societal concerns in consumers and, thereby, the market-driven fight against the 'global democratic deficit' lies necessarily in consumer access to societal information. Such access has been resisted for a number of reasons (namely, concerns related to the preservation of corporate self-control, and the achievement of efficiency or anti-protectionist objectives) and the conditions propitious to the development of more healthy democratic debates between producers and consumers, though raising highly relevant issues, have been underappreciated in the literature.<sup>25</sup> Largely ignored indeed are existent and possible interactions (online or otherwise) between producers, regulators, societal marketers, and consumers<sup>26</sup> and so are the regulatory conditions under which consumocratic debates, market signals, and societal marketing could develop and foster fruitful social dialogue. This is to be envisioned against the background of an increasingly socially-conscious consumer base, from which the diversity of views does not seem likely to diminish.<sup>27</sup> It appears that the value of these exchanges may depend not only on the quality of societal information (in terms of accuracy, relevance and completeness), but also on the quality of the regulatory platform on which they are, or could be, taking place. Neither the particular treatment by consumers of other-regarding marketing information,<sup>28</sup> nor the difficulties attached to the conduct of potentially polemical debates among producers and consumers could justify, in democratic societies, a disregard for the consolidation or refinement of the consumocratic system. Similarly, objective conditions for the healthy development of the latter cannot be ignored in addressing Beck's pertinent question here: "How is political activity possible in the global age?" (2000, p. 132).

If one of the central challenges posed by the consumocratic regime consists in reconciling the basic principles of modern liberalism (e.g., competition) and socialism (e.g., solidarity), the *institutional* redefinition of what are exchangeable goods needs to rest, above all, on relatively objective conditions of access to societal information and regulation of it. As

<sup>&</sup>lt;sup>25</sup> Symptomatically, it has been argued that although consumer awareness of labour conditions has led to several reactive market actions and helped fight the democratic deficit, its effects would be limited by the essentially non-deliberative participation of consumers in the creation of new market options (Aman, 2004).

<sup>&</sup>lt;sup>26</sup> Plausible interaction means include the online posting of decisions rendered under consumocratic rules. See, in a preliminary form, current Q&A type forums on *Rugmark* (now *GoodWeave*) websites.

<sup>&</sup>lt;sup>27</sup> According to *Market Research.com*, ethical consumerism is "still on the rise" in 2012 in spite of the economic crisis and "[o]verall 67% of consumers in the US and Europe claim to have boycotted a food, drinks or personal care company's goods on ethical grounds." (cf. www.marketresearch.com).

 $<sup>^{28}</sup>$  To summarise the issue, one must recall that the question is not so much whether the self-interest theory (interpreted on Smithian lines) 'will win' over theories implying some directional departures towards the interests of others, as suggested by Stigler (1981, p. 176). People do not always act selfishly, neither do they always act selflessly; the relevant question is rather whether one can account for a plurality of motivations in the study of economic behaviour. Moreover, according to Sen (criticizing Stigler), "[c]laims that the self-interest theory will win have typically been based on some special theorizing rather than on empirical verification." (1987, p. 18).

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for the *personal* redefinition of what are exchangeable market goods, it is not independent from such regulatory conditions either. A less despotic vision of modern liberalism may indeed derive, generally, from a more transparent, systematized, and sophisticated interface between consumers and producers.

From a consumocratic perspective, this vision unquestionably implies the notion that consumocrats all have obligations towards one another, irrespective of place of origin. On this basis, it is estranged from a stately vision of citizenship and is more closely attached to a growing sense of 'global citizenship' (Dower, 2003).<sup>29</sup> More subjective considerations therefore add up to this portrait of liberalism. For consumocracy as a new political economy would be doomed to fail under a general refusal on the part of consumers to so interfere in distant affairs, or to deal with such interference. The emergence of a global citizenry may then represent another necessary (though insufficient) condition for the democratic expression of consumers on the transnational level (Canclini, 1995).<sup>30</sup>

Market transparency may represent a *sine qua non* condition for the heroic consumer to play a defining role in this context. Consumers can first be charged with settling policy questions by revealing their support for public goods in an *implicit* fashion. This is what is sought by policy makers who rely on consumers' inferred level of support for a host of public goods in order to refine cost-benefit analyses regarding the allocation of such goods. For instance, cost-benefit analysis proponents are encouraging regulators to rely on wage-risk premium studies in order to assess the monetary amount by which employees are willing to risk their lives. Other studies concerning the willingness to pay for privacy and clean water have been used in policy debates on airline security and public health (Heinzerling, 2002, p. 2311; Andrews, 2003). The resort to such revealed preference valuation methodologies does not typically require the explicit communication of societal information to consumers; it is rather through economic data that indirect measures of the resources consumers may be prepared to invest are provided. Successful attempts to provoke market evaluations of public goods are thus soliciting consumers implicitly, by expanding the domain of consumer action to include public issues that have been (pre)examined in inferential studies.

Second, consumers can also be charged with settling policy questions by revealing their support for public goods in a more *explicit* fashion. By inviting consumers to distinguish goods directly on the basis of societal information, it is a more truly heroic consumer that one is contemplating. For the consumer here is not only asked to determine certain outcomes of public goods provision, but also to do so consciously, while sharing responsibilities in the current moral and 'ecological economy' (Daly and Farley, 2003). The solicitation of other-regarding concerns on the part of consumers is a key factor in the enlargement of people's sphere of influence, in sharp contrast with Taylor's description of citizens or consumers 'enclosed in their own hearts' when the primacy of instrumental reason would eclipse ends and restrict their choices. Insofar as the individualistic character of liberal democracies has been compellingly argued to be one of the 'malaises of modernity',<sup>31</sup> the development of consumocratic regulatory activity minimally calls for a more cautious appreciation of the

<sup>&</sup>lt;sup>29</sup> Dower defines 'cosmopolitanism' as "an ethical theory according to which all human beings belong to one domain and in principle have obligations towards one another across that domain" (2003, xi).

<sup>&</sup>lt;sup>30</sup> Canclini also notes that "we should ask ourselves if consumption does not entail doing something that sustains, nourishes, and to a certain extent constitutes a new mode of being citizens" (2001, 26).

<sup>&</sup>lt;sup>31</sup> See also Bell (1976), Lasch (1979), Lipovetsky (1983), Bellah *et al.* (1991), and the seminal prophetizations of de Tocqueville (1835/2000). It has been argued that contemporary solutions such as radical democracy, multiculturalism, political liberalism and communitarianism remain dead letters in front of calls for reform because they would neglect the problems of economic organisation (Fraser, 1997, p. 2). In the absence of any true emancipation project, the announcement that 1987 would mark the 'end of History' appears, for a while, to be accorded greater weight (Fukuyama 1992). Habermas (1984) evokes a similar sentiment upon examining the contemporary 'exhaustion of utopian energies'.

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seeming paralysis of the current economic system. It has been suggested, in particular, that the reconciliation of the spheres of production and consumption rendered possible under consumocratic devices may help convert so-called alienated, hypnotised, or manipulated consumers into more original and active people (Nava, 1991), citizen-consumers (Scammel, 2000; Micheletti, 2003), or heroic consumers (Kysar, 2005). One can see that a non-consumocratic system of production and sale casts a shadow over elements which, if revealed, would otherwise encourage the expression of less selfish dispositions in consumers.

At the macro level, a more enlightened system could help improve the management of forests and augment the number of primary schools, without the necessary intervention of the state. Less predictable societal marketing objectives include the reduction of extreme remuneration disparities, the direction of corporate political financing, the downsizing of the military industry, the passage from unqualified material growth to 'sustainable' or 'viable' production within liberal society, and other concerns which do not traditionally belong to the sphere of consumer influence.<sup>32</sup> The emancipatory goal of consumocracy, in the spirit of *historical hope*,<sup>33</sup> can therefore be seen as releasing consumers from this uninformed fog in which they find themselves and which forecloses any resort to ethical or political reasoning in their purchasing decisions. By giving politically disenchanted consumers the opportunity to exert new (moral) authority on enterprises through a more enlightened selection of consumer goods, the consumocratic system may alternatively be viewed as the center of a nascent political economic order, a democratised world polity (Mückenberger, 2008), a wider frame for deliberative democracy (Christiano, 2009), or a structured social space offering regulatory bulwarks against corporate hegemonic interests (Supiot, 2009).

### B. Introductory Analysis of Liberalism's New Egalitarian Potential

The idea of material distributive justice, governed by the City, harkens back to Aristotle. The allusive notion was then based upon a unique assessment of the virtuous citizen, by which the property and privileges of middle and rich men were envisaged as paralleling the ethical conduct of people whose virtue rises above that of less deserving (and poorer) men (1983 *Pol*, III.9; 1985 *NE*, V.3). Although Aristotle warned against the likely impact of the community of property endorsed by Plato on the virtue of generosity, he largely neglected the question of the interplay between production and distribution functions in setting the foundations for his theory of distributive justice. It took more than two thousand years, in fact, before John Stuart Mill clearly stated the basis for the balkanization of the conditions of production and wealth distribution:

"The laws and conditions of the production of wealth, partake of the character of physical truths. There is nothing optional, or arbitrary in them (...) this is not so with the distribution of wealth. That is a matter of human institution solely. The things once there, mankind, individually or collectively, can do with them as they like." (1999: II, 2.1.1)

Accordingly, with the conditions of *production* obedient to natural imperatives, only the conditions of wealth *distribution* would accommodate institutional rearrangement. Despite its questionability, one must recognize along with Hayek that this type of proposition casts the basic justification for State intervention in the pursuit of a modern ideal of distributive or social justice (1960, p. 430). Whether Mill's argument is accepted or rejected, the proliferation of economic inequality generated within the market economy (and aided by some private and public laws) is generally perceived as an irreversible phenomenon in the

<sup>&</sup>lt;sup>32</sup> With similar views in sight, relatively complex regulatory instruments, such as the *Filos Mundi* code, are incidentally being developed (see for instance: http://site.filosmundi.org).

<sup>&</sup>lt;sup>33</sup> For an inspiring view of this notion, see Unger (1998), and Gomes & Unger (1996).

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absence of State-led intervention, coercive or otherwise. In this context, State intervention would be the symptom of the natural conflict between the search for efficiency in the economic order on the one hand, and an egalitarian ideal on the other (Aron 1969, pp. 47-49). With the support of the State, human beings would thus seek to endlessly increase their control over natural resources while reciprocally aspiring to be recognized as equal in dignity. In the end, our modern world would witness the effect of forces long considered incompatible, even antagonistic: the imperative of efficient production and the ideal of material distributive justice.

At the heart of this belief beats the idea that a market economy cannot alone bring about a concerted reduction in economic inequality. Few have expressed this belief as simply as the libertarian author Ludwig von Mises: "If one wants to do away with inequality of wealth and incomes, one must abandon capitalism and adopt socialism." (1955, p. 87). If pure egalitarianism is hopelessly out of reach, such a suggestion has little bearing except in drawing nearer to this objective. It is presumably from this perspective that it is argued that the deliberate remodelling of economic inequalities is unthinkable without State intervention: "anti-State egalitarianism remains in all likelihood the most utopian project conceivable" (Brunelle 2000, p. 31).

Two broad conceptions of distributive justice are worth recalling before commenting on the death of the above dogmas: the *patterned* conception and the *entitlement* conception. Patterned conceptions of distributive justice generally ignore production issues and are recipient-oriented. Following Mill's suggestion, they consider production and distribution as separate questions. Here, distributive justice is concerned with the identification of patterns of redistribution, once total distributive shares have been produced. Such resulting patterns, for instance, may be based on (1) needs (2) Aristotelian virtue (3) the perceived benefits given to others or (4) the notion that inequalities are justified if they help raise the position of the least advantaged group, if without the inequalities that group would be even more worse off (Rawls, 1971). Justice, under the entitlement conception, does not reside in the imposition of a chosen pattern of distribution on society (Hayek, 1960, p. 87), but in the underlying principles generating the creation of what one may refer to as 'holdings' (Nozick, 1974, p. 151): (a) A person who acquires a holding in accordance with the principle of justice in acquisition is entitled to that holding; (b) A person who acquires a holding in accordance with the principle of justice in transfer, from someone else entitled to the holdings, is entitled to the holding; (c) No one is entitled to a holding except by (repeated) applications of 1 and 2 or, ignoring the original acquisition of holdings, 'From each as they choose, to each as they are chosen' (160). These generating principles define the emergence of an initial distribution (through 'just' acquisition) and its legitimate transformations (through 'just' transfers), within the framework of voluntary exchanges. Any distribution resulting from these specified voluntary exchanges would be accepted under the entitlement conception. Transfers made by the state with a view to impressing on society a deliberate pattern of distribution do not flow from the generating principles and are typically considered illegitimate by entitlement theorists. In this spirit, Nozick regards taxation of earnings from labour as being on a par with forced labour (1974, p. 231).

It is not contested that an abstract ideal of equality may reasonably be invoked in support of an original theory of egalitarian liberalism, though not without raising serious questions.<sup>34</sup> It is not contested either that consumocratic control does not align itself with the egalitarian conditions of democracy. Associations of consumers are not required to participate in the formulation of codes of conduct whose enforcement is to be signalled to the private market. A critical mass of consumers is rather called to play a role *ex post*, to pronounce itself

<sup>&</sup>lt;sup>34</sup> See, for instance, MacLeod (1998, 156 *et seq.*) criticising Dworkin's commitment to equality as the structuring principle of an essentially liberal theory.

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on the desirability of certain goods, in comparison to others, following a number of nontraditional criteria already embodied in these codes. If anything, the role of consumocrats is more akin to that of judges – who sanction, positively or negatively, a series of corporate deeds. But in contradistinction with this correspondence, one must note that, in the regulation of informed markets, the power to sanction ultimately rests with the masses;<sup>35</sup> and the power to legislate, with the expert few.<sup>36</sup> In the absence of democratic legislative voting, it is therefore from highly dispersed sanctions, expressed along transnational production chains, that such regulation instruments may derive their quantitative legitimacy.

The issue I finally wish to highlight concerns more directly the distributive implications of adopting a system of voluntary exchanges under consumocratic control. To the extent that such a system provides for *direct* incentives for producers to improve their products and practices along production chains and, in consequence, that it cannot be overruled by suppliers or lobbyists, it is in principle free from state interference<sup>37</sup> and in accord with the requirements of the entitlement conception of justice. These implications are not trivial, given that more transparency in the communication of societal information to consumers enlarges their sphere of influence within and outside existing market niches. For again, if it is true that consumers are currently invited to enhance the salary of low-paid employees (e.g., via the *Fairtrade* code), it is also true that they could likewise contribute to reducing the increasingly large revenue gap separating high-paid and low-paid employees, thanks to more sophisticated media and codes.

Through consumer-induced changes in corporate profitability equations, 'improving' a wage ratio (i.e., a reduction of remuneration inequality along transnational production chains), no doubt, is as legitimate as improving the intrinsic quality of products a corporation sells intending to satisfy customers who can freely express their preferences. It is thus a matter of generating less inequality *through more freedom*, rather than a traditional case of opposition between equality and freedom. That the market, left to itself, is theoretically and historically bound to produce aggregate long-term benefits along with great volatility and inequality (e.g., Rose 2012, p. 4) is not, or is no longer, true. From a consumocratic perspective, the alleged incompatibility between the imperative of production and an ideal of material distributive justice is therefore grounded in a narrow conception of what qualifies as a desirable good, coupled with limited information in relation to that good. For it is in liberty that consumers may enrich their notion of a desirable good to attach an ideal of distributive justice to it. It is also an ironic reversal that one solution to the question of reducing extreme inequalities created by the liberal order finds itself potentially of the same mind.

### Conclusion

The following conclusions can be drawn from the above. Firstly, the status of consumers may change significantly (i.e., from subjects of protective state regulation, to agents of regulatory power) depending on whether or not the societal value of consumer goods is elicited through markets. Central in this process are the control over the diffusion of societal information on the market place and the determinants of that control. Their understanding requires an examination of the regulatory instruments by which citizens are invited to broaden their notion of a desirable good and exercise new forms of authority over

<sup>&</sup>lt;sup>35</sup> This sanctioning assembly is potentially larger and more cosmopolitan than national voting assemblies; it includes people of all ages, including children, although not endowed with equal purchasing power.

<sup>&</sup>lt;sup>36</sup> This does not prevent consumer associations from intervening in the drafting of market-sanctioned codes of conduct, but such intervention need not constitute a *sine qua non* condition for legitimacy.

<sup>&</sup>lt;sup>37</sup> Government-sponsored schemes do present an exception to this principle.

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corporations. In contrast with citizens called to express, ex ante, their preferences for particular socio-economic plans through voting, consumers (or, more precisely, *consumocrats*) are rather called here to play a role ex post, and pronounce themselves on the desirability of certain goods, in comparison to others, following a number of non-traditional criteria already embodied in labelled codes. Such criteria are not confined to the limited and controversial domain of 'process information' under transnational (WTO) law, to the extent that they may as well pertain to the protection of vulnerable workers, animals, eco-systems, besides less predictable areas including the downsizing of the military industry (through multi-level codes) and the reduction of flagrant remuneration disparities or inequities.

Secondly, while the solution enabling the transformative potential of consumocracy lies in the effective addition of a societal value to consumer goods, its directional powers may influence both distributive and protective justice systems – without direct state intervention and in accordance with the operation of 'free' though 'better informed' markets. For it is in liberty that consumers may enrich their notion of a desirable good to attach an ideal of distributive or protective justice to it. It follows that principles of modern socialism and liberalism may be reconciled through the (personal and institutional) redefinition of what are exchangeable goods. This assertion does not solely relate to the combined search for more freedom (or competition) and equality (or solidarity). It suggests that other seemingly contrary goals, such as greater market freedom and socio-environmental protection, could also merge more easily under a transparent consumocratic system. The development of this system invites us accordingly to envisage a theoretical and practical departure from dualism to duality in the regulation and understanding of essential economic and social action.

Thirdly, it is suggested, in light of a critique of Charles Taylor's own critique of modernity, that a more transparent consumocratic system may mark the development of modern societies in four notable ways. First, by inviting the individual to inject 'meaning' into the socket of the liberal order itself, and offering an ordering of values in which the sense of indifference is posited below that of social responsibility, prior to choice. Second, by effectively soliciting rational and other-regarding behaviour, while ensuring that instrumental reason does not obligatorily take precedence over finalities on the market place. Third, by giving politically disenchanted consumers the opportunity to exert new authority outside the traditional spheres of consumer influence, generally shaped by a deficient ideology - one under which it is (wrongly) assumed that market mechanisms are inherently guided by the solicitation of consumers' individualistic concerns. Fourth, by concretely challenging the common perception that the failure by the state to correct economic externalities in markets leads to undesirable results that are inevitable. It has in effect been shown that a nascent consumocracy is opening promising spheres of regulatory influence in the field of socioenvironmental protection, without direct state intervention - a state of affairs which may prove critical in the face of coming social and environmental crises.

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